



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

MILLWOOD TOWNSHIP
GUERNSEY COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

Millwood Township
Guernsey County
P.O. Box 176
Quaker City, Ohio 43773

To the Board of Trustees:

We have audited the accompanying financial statements of Millwood Township, Guernsey County, Ohio (the Township), as of and for the years ended December 31, 2001 and 2000. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Millwood Township, Guernsey County, as of December 31, 2001 and 2000, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2002, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a long horizontal stroke extending to the right.

Jim Petro
Auditor of State

September 20, 2002

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
Cash Receipts:				
Local Taxes	\$17,159	\$8,096	\$	\$25,255
Intergovernmental	5,619	60,734	9,092	75,445
Earnings on Investments	839	989		1,828
Other Revenue	1,691	200		1,891
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	25,308	70,019	9,092	104,419
	<hr/>	<hr/>	<hr/>	<hr/>
Cash Disbursements:				
Current:				
General Government	19,198			19,198
Public Safety	2,600			2,600
Public Works	851	76,411		77,262
Debt Service:				
Redemption of Principal			9,147	9,147
Interest and Fiscal Charges			478	478
Capital Outlay		37,000		37,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	22,649	113,411	9,625	145,685
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts Over/(Under) Cash Disbursements	2,659	(43,392)	(533)	(41,266)
	<hr/>	<hr/>	<hr/>	<hr/>
Other Financing Receipts:				
Proceeds from Sale of Public Debt:				
Sale of Bonds		37,000		37,000
Other Sources	1,073	2,733		3,806
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts	1,073	39,733	0	40,806
	<hr/>	<hr/>	<hr/>	<hr/>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	3,732	(3,659)	(533)	(460)
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Cash Balances, January 1	8,365	36,374	2,647	47,386
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	\$12,097	\$32,715	\$2,114	\$46,926
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
Cash Receipts:				
Local Taxes	\$15,371	\$7,784	\$	\$23,155
Intergovernmental	5,741	53,406	14,082	73,229
Earnings on Investments	496	633		1,129
Other Revenue	8	341		349
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	21,616	62,164	14,082	97,862
Cash Disbursements:				
Current:				
General Government	16,855	7,378		24,233
Public Safety	2,600	6,815		9,415
Public Works	851	52,580		53,431
Debt Service:				
Redemption of Principal			11,150	11,150
Interest and Fiscal Charges			39	39
Capital Outlay		1,494		1,494
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	20,306	68,267	11,189	99,762
Total Cash Receipts Over/(Under) Cash Disbursements	<hr/>	<hr/>	<hr/>	<hr/>
	1,310	(6,103)	2,893	(1,900)
Other Financing (Disbursements):				
Other Uses			(246)	(246)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing (Disbursements)	0	0	(246)	(246)
Excess of Cash Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<hr/>	<hr/>	<hr/>	<hr/>
	1,310	(6,103)	2,647	(2,146)
Fund Cash Balances, January 1	<hr/>	<hr/>	<hr/>	<hr/>
	7,055	42,477	0	49,532
Fund Cash Balances, December 31	<hr/>	<hr/>	<hr/>	<hr/>
	\$8,365	\$36,374	\$2,647	\$47,386

The notes to the financial statements are an integral part of this statement.

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Millwood Township, Guernsey County (the Township), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Village of Quaker City Volunteer Fire Department to provide fire services and ambulance services.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized 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, as prescribed or permitted by the Auditor of State.

C. Fund Accounting

The Township uses fund accounting to segregate cash that is restricted as to use. The Township classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Fund:

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining and repairing Township roads.

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued)

3. Debt Service Funds

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. The Township had the following significant Debt Service Fund:

General Bond Retirement Fund – This fund receives gasoline tax money for the repayment of bonded debt and a municipal lease.

D. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Township did not encumber all commitments required by Ohio law.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

2. EQUITY IN POOLED CASH

The Township maintains a cash pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	2001	2000
Demand deposits	\$46,926	\$47,386

Deposits: Deposits are insured by the Federal Deposit Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2001 and 2000 follows:

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$22,576	\$26,381	\$3,805
Special Revenue	60,254	109,752	49,498
Debt Service	9,091	9,092	1
Total	\$91,921	\$145,225	\$53,304

2001 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$33,168	\$22,649	\$10,519
Special Revenue	98,909	113,411	(14,502)
Debt Service	7,548	9,625	(2,077)
Total	\$139,625	\$145,685	(\$6,060)

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$23,688	\$21,616	(\$2,072)
Special Revenue	54,537	62,164	7,627
Debt Service	14,082	14,082	0
Total	\$92,307	\$97,862	\$5,555

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$30,301	\$20,306	\$9,995
Special Revenue	100,247	68,267	31,980
Debt Service	14,082	11,435	2,647
Total	\$144,630	\$100,008	\$44,622

Contrary to Ohio law, expenditures exceeded appropriation authority at the legal level of control in the Gasoline Tax Fund and the General Bond Retirement Fund for the year ended December 31, 2001.

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

5. DEBT

Debt outstanding at December 31, 2001, was as follows:

	Principal	Interest Rate
General Obligation Bonds	\$35,364	5.22%

The general obligation bonds were issued to finance the purchase of a new backhoe to be used for Township road maintenance. The bonds are collateralized solely by the Township's taxing authority.

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

5. DEBT (Continued)

Amortization of the above debt, including interest, is scheduled as follows:

<u>Year ending December 31:</u>	<u>General Obligation Bonds</u>
2002	\$8,456
2003	8,456
2004	8,456
2005	8,456
2006 – 2010	6,342
Total	<u><u>\$40,166</u></u>

6. LEASE

The Township entered into a lease for the purchase of a 1999 Kubota tractor and a Hardee mower to be paid from gasoline tax revenue. Future municipal lease payments are as follows:

<u>Year ending December 31:</u>	<u>Municipal Lease</u>
2002	\$7,511
2003	7,511
2004	3,756
Total	<u><u>\$18,778</u></u>

7. RETIREMENT SYSTEMS

The Township's elected officials and part-time employees, belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for January 1 through June 30, 2000, and for 2001. PERS temporarily reduced the employer contribution rate to 8.13%, effective July 1, 2000 through December 31, 2000. The Township has paid all contributions required through December 31, 2001.

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

8. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Employer liability.

The Township is uninsured for the following risks:

- Errors and omissions.

9. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Millwood Township
Guernsey County
P.O. Box 176
Quaker City, Ohio 43773

To the Board of Trustees:

We have audited the accompanying financial statements of Millwood Township, Guernsey County, Ohio (the Township), as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated September 20, 2002. We conducted our audit 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.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2001-41030-001 through 2001-41030-004. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated September 20, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings as items 2001-41030-005 and 2001-41030-006.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable conditions described above to be material weaknesses. We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated September 20, 2002.

This report is intended solely for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

September 20, 2002

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2001 AND 2000**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2001-41030-001

Finding for Recovery

Auditor of State warrants for the February 1999, February 2001 and August 2001 rollback and homestead and August 2001 trailer rollback and homestead payments of \$1,384.93, \$1,528.48, \$1,528.68 and \$9.67 respectively, as confirmed by the State of Ohio on the Distribution Transaction List, could not be accounted for on the Township's cash journals and ledgers. These warrants were not deposited or cashed by the Township Clerk within ninety days, were subsequently voided by the Auditor of State's office, and represent amounts still due to the Township. The Township Clerk is the Township's fiscal officer and, as such, is responsible for the collection and deposit of this money. The Clerk was notified of this situation in the prior audit and was warned that failure to correct this situation could result in a finding for recovery in a future audit.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code §117.28, a Finding for Recovery for public money due but not collected is hereby issued against Jeffrey Stephens, Millwood Township Clerk, and his surety, the Employers Mutual Casual Company, jointly and severally, in the amount of four thousand four hundred fifty-one dollars and seventy-six cents (\$4,451.76), in favor of Millwood Township, Guernsey County's General and Road and Bridge Funds in the amounts of \$3,128.10 and \$1,323.66, respectively.

FINDING NUMBER 2001-41030-002

Noncompliance Citation

Ohio Rev. Code § 5705.41(B) requires no subdivision or taxing authority to expend money unless it has been appropriated.

The following funds had expenditures which exceeded appropriations at the legal level of control at December 31, 2001:

Gasoline Tax Fund	
Public Works	
Salaries – Trustees	\$ 2,733
Worker's Compensation	1,974
Machinery, Equipment, and Furniture	35,000
General Bond Retirement Fund	
Debt Service	
Principal Payments	1,600
Interest Payments	477

These variances resulted from posting audit adjustments necessary to agree legislatively approved amounts to the Township ledgers.

We recommend the Clerk post appropriations as approved by the Board of Trustees.

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2001 AND 2000
(Continued)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

FINDING NUMBER 2001-41030-003

Noncompliance Citation

Ohio Rev. Code § 5705.41(D)(1) states that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

The following exceptions to this basic requirement are provided by statute:

- A. Then and Now Certificate - This exception provides that, if the fiscal officer can certify that both at the time the contract or order was made and at the time that he is completing his certification, sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any encumbrance, the taxing authority can authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance. If approval is not made within 30 days, there is no legal liability on the part of the subdivision or taxing district.
- B. Amounts of less than \$1,000 may be paid by the fiscal officer without such affirmation of the taxing authority upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the taxing authority.

The Clerk's prior certification of available funds was not obtained for 76% of transactions tested and there was no evidence of a "Then and Now" certificate being used by the Clerk.

We recommend the Township obtain the Clerk's prior certification of available funds prior to incurring the obligation.

FINDING NUMBER 2001-41030-004

Noncompliance Citation

Ohio Rev. Code § 5747.07(E) (1) in part states that every employer shall file, not later than the last day of the month following the end of each calendar quarter, a return covering, but limited to, both the actual amount deducted and withheld and the amount required to be deducted and withheld for the tax imposed under this chapter during each partial weekly withholding period during the quarter.

State income taxes were withheld from the compensation of Township employees and elected officials in the amounts of \$732.90 and \$271.50 for 2001 and 2000, respectively; however, none of the 2001 or 2000 amounts were subsequently remitted to the Ohio Department of Taxation.

We recommend the Township Clerk remit these state income taxes to the Ohio Department of Taxation.

This matter will be referred to the Ohio Department of Taxation for whatever action deemed necessary.

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2001 AND 2000
(Continued)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

FINDING NUMBER 2001-41030-005

Material Weakness

Bank Reconciliations

The Township Clerk prepared monthly bank reconciliations throughout the audit period; however, these reconciliations contained unexplained "Other Adjusting Factors" and supporting documentation was not provided. The bank reconciliations were also not presented to the Trustees for their review and approval. This has resulted in unreconciled bank account balances, necessitated the performance of additional audit procedures and resulted in additional audit costs to the Township.

We recommend the Township Clerk continue preparing monthly bank reconciliations. Sufficient explanation and/or supporting documentation should be provided and retained for all "Other Adjusting Factors" on the reconciliations. The Township Clerk should present monthly bank reconciliations to the Board of Trustees for their review and approval at their monthly meetings.

FINDING NUMBER 2001-41030-006

Material Weakness

Timely Depositing

Comparison of dates reflected on duplicate receipts to the date of deposit revealed the Township Clerk held several checks for up to 90 days prior to depositing them in the Township's designated depository. This resulted in several checks becoming lost and could result in negative bank account or fund balances. Additionally, not depositing timely into the Township's interest bearing checking account, results in a loss of interest revenue for the Township.

We recommend all receipts be deposited into the Township's interest bearing checking account on the business day following the date of receipt or within a reasonable period of time.

**MILLWOOD TOWNSHIP
GUERNSEY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2001 AND 2000**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
1999-41030-001	Ohio Rev. Code Section 5705.10 posting receipts incorrectly.	Yes	N/A.
1999-41030-002	Ohio Rev. Code Section 5705.38 adoption of appropriations.	No	Not Corrected; We reported this finding in the management letter.
1999-41030-003	Ohio Rev. Code Section 5705.41B expenditures exceeding appropriations.	No	Repeated as finding 2001-41030-002.
1999-41030-004	Ohio Rev. Code Section 5705.41D failure to certify availability of funds.	No	Repeated as finding 2001-41030-003.
1999-41030-005	Material Weakness for not depositing timely.	No	Repeated as finding 2001-41030-006.
1999-41030-006	Material Weakness budgeted amounts not recorded as legislatively approved.	No	Partially Corrected; We reported this finding in the management letter.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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MILLWOOD TOWNSHIP

GUERNSEY 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
OCTOBER 17, 2002**