



Mary Taylor, CPA
Auditor of State

RARDEN TOWNSHIP
SCIOTO COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Independent Accountants' Report.....	1
Statement of Cash Receipts, Cash Disbursements, and Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2007.....	3
Statement of Cash Receipts, Cash Disbursements, and Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2006.....	4
Notes to the Financial Statements	5
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.....	11
Schedule of Findings.....	13
Schedule of Prior Audit Findings.....	26

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Rarden Township
Scioto County
822 Dry Fork Road
Rarden, Ohio 45671

To the Board of Trustees:

We have selectively tested certain accounts, financial records, files, and reports of Rarden Township, Scioto County, Ohio (the Township), as of and for the years ended December 31, 2007 and 2006 following Ohio Administrative Code Section 117-4-02.

The accompanying financial statements present receipts and disbursements by fund totals only. Ohio Administrative Code Section 117-2-02(A) requires governments to classify receipt and disbursement transactions.

There are reportable findings and conditions as a result of performing these procedures. Our reportable findings and conditions follow the financial presentation. Our engagement was not designed to result in expressing an opinion on the accompanying financial statements, and we express no opinion on them.

This report is intended solely for the information and use of management, the Township Trustees, and other officials authorized to receive this report under Section 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 cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

October 13, 2009

This page intentionally left blank

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Balance</u> <u>1/1/2007</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>12/31/2007</u>
General	(\$480)	\$21,874	\$25,910	(\$4,516)
Special Revenue:				
Motor Vehicle License Tax	5,120	7,945	10,220	2,845
Gasoline Tax	33,393	93,688	78,320	48,761
Cemetery	16,441	1,250	4,893	12,798
Fire	20,456	30,907	67,311	(15,948)
Ambulance	8,265	22,506	49,394	(18,623)
Total Special Revenue	<u>83,675</u>	<u>156,296</u>	<u>210,138</u>	<u>29,833</u>
Total All Funds	<u><u>\$83,195</u></u>	<u><u>\$178,170</u></u>	<u><u>\$236,048</u></u>	<u><u>\$25,317</u></u>

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

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Restated Balance 1/1/2006 <u>(see Note 2)</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance 12/31/2006</u>
General	\$10,414	\$19,213	\$30,107	(\$480)
Special Revenue:				
Motor Vehicle License Tax	2,573	7,690	5,143	5,120
Gasoline Tax	7,445	86,375	60,427	33,393
Cemetery	16,732	5,772	6,063	16,441
Fire	4,076	32,196	15,816	20,456
Ambulance	5,282	23,479	20,496	8,265
Total Special Revenue	<u>36,108</u>	<u>155,512</u>	<u>107,945</u>	<u>83,675</u>
Total All Funds	<u><u>\$46,522</u></u>	<u><u>\$174,725</u></u>	<u><u>\$138,052</u></u>	<u><u>\$83,195</u></u>

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

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Rarden Township, Scioto County (the Township), as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Village of Rarden to provide fire and ambulance services.

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

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township 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).

The Township did not classify its receipts or disbursements in the accompanying financial statements. This is a material departure from the requirements of Ohio Administrative Code Section 117-02-02(A). This Ohio Administrative Code Section requires classifying receipts and disbursements.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

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 reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

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

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

Fire Fund - This fund receives property tax money to provide fire protection services to Township residents.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

C. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Ambulance Fund - This fund receives property tax money to provide emergency medical services to Township residents.

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 fund, function or 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 use the encumbrance method of accounting.

A summary of 2007 and 2006 budgetary activity appears in Note 4.

E. Property, Plant, and Equipment

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

2. Restatement of Fund Balances

Fund balances were restated by the Township due to correction of errors in the cash reconciliation as of December 31, 2005. The correction of errors had the following effect on fund balance at January 1, 2006:

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

2. Restatement of Fund Balances (Continued)

Fund Type	Fund Balance at 12/31/05	Correction of Error	Restated Fund Balance at 1/1/06
General	\$11,195	(\$781)	\$10,414
Special Revenue	38,878	(2,770)	36,108
Total	<u>\$50,073</u>	<u>(\$3,551)</u>	<u>\$46,522</u>

3. Equity in Pooled Deposits

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

	2007	2006
Demand deposits	<u>\$25,317</u>	<u>\$83,195</u>

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

4. Budgetary Activity

Budgetary activity for the years ending December 31, 2007 and 2006, follows:

2007 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$15,000	\$21,874	\$6,874
Special Revenue	56,000	156,296	100,296
Total	<u>\$71,000</u>	<u>\$178,170</u>	<u>\$107,170</u>

2007 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$40,438	\$25,910	\$14,528
Special Revenue	222,237	210,138	12,099
Total	<u>\$262,675</u>	<u>\$236,048</u>	<u>\$26,627</u>

2006 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$17,270	\$19,213	\$1,943
Special Revenue	141,100	155,512	14,412
Total	<u>\$158,370</u>	<u>\$174,725</u>	<u>\$16,355</u>

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

4. Budgetary Activity (Continued)

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$21,157	\$30,107	(\$8,950)
Special Revenue	155,100	107,945	47,155
Total	\$176,257	\$138,052	\$38,205

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Motor Vehicle License Tax, Gasoline Tax, and Fire Funds by \$4,213, \$11,297, and \$469, respectively, for the year ended December 31, 2007. For the year ended December 31, 2006, budgetary expenditures exceeded appropriation authority in the General Fund by \$8,950.

Also contrary to Ohio law, appropriations exceeded total estimated resources in the General, Motor Vehicle License Tax, Gasoline Tax, Fire, and Ambulance Funds by \$25,918, \$887, \$33,630, \$14,386, and \$44,547, respectively. For the year ended December 31, 2006, appropriations exceeded total estimated resources in the Motor Vehicle License Tax and Ambulance Funds by \$3,495 and \$5,784, respectively.

Also contrary to Ohio law, at December 31, 2007, the General, Fire, and Ambulance Funds had a cash deficit balance of \$4,516, \$15,948, and \$18,623, respectively. At December 31, 2006, the General Fund had a cash deficit balance of \$480.

5. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays. Payments are due to the County by December 31. If the property owner elects to pay semiannually, 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.

6. Debt

Debt outstanding at December 31, 2007, was as follows:

	Principal	Interest Rate
Term Note	\$4,926	6%
Total	\$4,926	

The Township issued a term note on November 2, 2004 to finance the purchase of a truck for Township road maintenance. The note is collateralized by the truck.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

6. Debt (Continued)

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

Year ending December 31:	Term Note
2008	\$5,074
Total	\$5,074

7. Retirement System

Township employees and officials belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2007 and 2006, OPERS members contributed 9.5 and 9%, respectively, of their gross salaries and the Township contributed an amount equaling 13.85 and 13.7%, respectively, of participants' gross salaries. The Township has paid all contributions required through December 31, 2007.

8. Risk Management

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

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

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

Rarden Township
Scioto County
822 Dry Fork Road
Rarden, Ohio 45671

To the Board of Trustees:

We have selectively tested certain accounts, financial records, files, and reports of Rarden Township, Scioto County, Ohio (the Township), as of and for the years ended December 31, 2007 and 2006, following Ohio Admin. Code Section 117-4-02. We noted the Township did not classify receipts and disbursements in its financial statements. Our engagement was not designed to result in expressing an opinion on the accompanying financial statements, internal control over financial reporting, or compliance. We therefore express no opinion on these matters.

Internal Control over Financial Reporting

During our procedures related to the internal control over financial reporting we noted matters that, in our judgment, could adversely affect the Township's ability to initiate, authorize, record, process, or report financial data consistent with management's assertions in the financial statements. In addition, these matters could result in the occurrence of misstatements that are caused by error or fraud that would not be detected in a timely manner by employees when performing the assigned functions. These matters are described in the Schedule of Findings as items 2007-001 through 2007-006.

Compliance and Other Matters

We tested compliance with certain provisions of laws, regulations, contracts, and grant agreements, applicable to the Township. Noncompliance with these requirements could impact the Township's ability to determine financial statement amounts. The results of our tests disclosed instances of noncompliance or other matters that are reported in the accompanying Schedule of Findings as items 2007-007 through 2007-021.

The Township's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. We did not audit the Township's responses and, accordingly, we express no opinion on them.

Rarden Township
Scioto County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Page 2

We intend this report solely for the information and use of the management and the Township Board of Trustees. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

October 13, 2009

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

FINDING NUMBER 2007-001

Fiscal Responsibility/Monitoring of Financial Information

During the audit period, financial records were not adequately maintained and the Township Trustees did not hold the Township Fiscal Officer accountable for the presentation of accurate financial information. Additionally, proper monitoring was not performed to determine that the required records were even being maintained. These records would include monthly bank reconciliations, budget reports, receipt and expenditure ledgers, and payroll reports.

The Township was declared unauditible on July 8, 2008 due to the Township's book balance not reconciling to the bank balance throughout the entire audit period. Also, the 2006 and 2007 financial activity had not been posted in its entirety to the Uniform Accounting Network (UAN) cashbook, receipts ledger, and appropriation ledger. Finally, the annual report for 2006 and 2007 had not been prepared and submitted to the Auditor of State. The Township Fiscal Officer who was in office during this period did not run for re-election and her term expired on March 31, 2008.

The Township did hire a local CPA firm to reconstruct their financial activity for the period January 1, 2006 to December 31, 2007. The CPA firm prepared the following financial information which was presented to the Auditor of State for audit:

- Detailed bank reconciliations for each month in the period including follow-up on reconciling items;
- Year-to-date general ledger for each year;
- Trial balance for each year with only revenue broken down by fund. Expenditures and fund balance were posted on the trial balance for the Township as a whole;
- Adjusting journal entries for receipts by month (the CPA firm verified each receipt was deposited and coded the receipt to the fund they thought was appropriate).

Since the CPA firm did not prepare financial statements for 2006 and 2007 the Auditor of State utilized the information provided above by the CPA firm to compile unclassified financial statements by fund.

The lack of adequate accounting records and monitoring resulted in the Township's General Fund, Fire Fund, and Ambulance Fund operating in a deficit as of December 31, 2007 in the amount of \$4,516, \$15,948, and \$18,623, respectively. The condition of the records and lack of financial information impeded the ability of officials to act on complete and accurate information in conducting Township affairs and has resulted in the current fiscal status of the Township.

We recommend the Township Fiscal Officer utilize the UAN system and post all financial activity to the computer system, including budgeted receipts and appropriations.

It is the Township Trustee's responsibility to monitor monthly reports and check to determine that related documents agree. Therefore, we also recommend that the Township Trustee's monitor financial activity closely, and at each regular monthly meeting, at a minimum, require that the bank reconciliation and the detailed budget and actual receipt and disbursement reports be provided for review. Monthly bank reconciliations should be reviewed to ensure bank balances agree with the monthly fund balances. Any reconciling items should be reviewed to verify there are no unexplained items, and/or that the explanations are factual. The detailed budget versus actual reports should be reviewed to determine that receipts are in line with estimates and that expenditures are within appropriations and if necessary, appropriate budget modifications be updated.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-001 (Continued)

Fiscal Responsibility/Monitoring of Financial Information (Continued)

Officials' Response: The Township Fiscal Officer will give copies of financial reports to the Township Trustees at the monthly meetings.

FINDING NUMBER 2007-002

Bank Reconciliations

The Township Fiscal Officer did not prepare monthly bank reconciliations during the audit period; therefore the Township Trustee's could not adequately monitor the status of the fund balances of the Township.

This has resulted in unreconciled bank account balances which necessitated the Township to hire a local CPA firm to reconstruct their financial activity for the period January 1, 2006 to December 31, 2007, which included detailed bank reconciliations for each month in the period including follow-up on reconciling items.

We recommend the Township Fiscal Officer prepare monthly bank reconciliations. Sufficient explanation and/or supporting documentation should be provided and retained for all reconciling items, such as outstanding checks, deposits-in-transit, and "Other Adjusting Factors" that may appear on the reconciliation. The Township Fiscal Officer should present monthly bank reconciliations to the Township Trustees for their review and approval at their monthly meetings.

Officials' Response: The Township Fiscal Officer will complete monthly bank reconciliations.

FINDING NUMBER 2007-003

Non-Payroll Expenditures

An effective accounting system requires periodic monitoring by someone independent of the receipt/expenditure process and is one that requires review of supporting documentation to substantiate all accounting transactions.

Our testing revealed numerous weaknesses with the processing of non-payroll related expenditures. These weaknesses included, but not limited to, unsupported payments, unapproved payments, and several checks written were not run through the Uniform Accounting Network (UAN) system. It appeared from the checks we could review that they were all hand-written.

Also, the monthly payment on the Township's outstanding debt is automatically deducted from the Township's checking account. These payments were never recorded on the Township's accounting records. The accompanying unclassified financial statements were adjusted and the debt payments are reflected as an expenditure from the Gasoline Tax Fund.

Due to the lack of monitoring of individual expenditures and lack of supporting documentation, we could not determine if any expenditure was for a proper public purpose or charged to the correct fund based on the nature of the disbursement.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-003 (Continued)

Non-Payroll Expenditures (Continued)

We recommend the following steps be taken to correct the above internal control weaknesses:

- Township Trustees and the Township Fiscal Officer should require sufficient supporting documentation for all expenditures. An original invoice should be required to be presented before a payment is approved and paid.
- Township Trustees should approve all expenditures prior to them being paid. The Township Fiscal Officer should provide the Township Trustees a listing of bills at each Trustee meeting that need paid. This should be presented as part of the financial report package which should include a monthly bank statement and monthly cash reconciliation.
- The monthly debt payment, automatically deducted from the checking account, should be posted to the UAN system as an expenditure.
- The Township Fiscal Officer should post all expenditures to the UAN system and checks should be printed directly from the computer. This would help in the cash reconciliation process, help assure completeness of expenditures made during the period, and help ensure more accurate financial reporting.

Officials' Response: The Fiscal Officer will post all expenditures to the UAN system and will keep invoices supporting the expenditures.

FINDING NUMBER 2007-004

Payroll Expenditures

In order to effectively account and track payroll related transactions, a payroll ledger should be maintained that documents all payroll transactions, including employee name, authorized rate of pay, number of hours worked, fund charged, gross pay, a column for each type of withholding, net pay, and check number. The Township should also maintain personnel files for each individual employee which could include job descriptions, withholding authorization forms, etc.

Numerous weaknesses over payroll transactions were noted. The weaknesses included, but were not limited to, no support (i.e. timesheets) for hours worked, no payroll ledger, no authorization of pay rates for employees, and no personnel files maintained. For Township official salaries, we did determine officials were paid within the statutory guidelines. These weaknesses have lead to the inability to adequately monitor payroll transactions.

Our testing of payroll disbursement transactions revealed the following:

- Payments did not have timesheets or other documentation of hours worked for all pay periods in 2007 and 2006.
- Pay rates were not properly documented in the minutes.
- State taxes and Medicare taxes were deducted for some employees; however, no evidence exists the amounts withheld were paid to the appropriate vendors.
- The Township did not maintain employee files such as hiring authorizations, position and authorized salary rate, fund which salary will be charged, deduction authorizations, retirement participation, federal withholding W-4, and state and federal tax withholding authorization.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-004 (Continued)

Payroll Expenditures (Continued)

Township Trustees should implement policies and procedures to ensure its payroll transactions are properly processed, documented and submitted for Trustee review each meeting. Appropriate taxes and retirement withholdings should be deducted and paid to the appropriate entity on a timely basis.

Officials' Response: We will require employee's to complete time sheets and maintain this documentation to support payroll charges. Also, we will pay amounts withheld in a timely manner to Internal Revenue Service, Ohio Department of Taxation, and OPERS.

FINDING NUMBER 2007-005

Money Due But Not Collected

Auditor of State warrants for the February and August 2006 2 ½ % property tax rollback payments of \$229.06 and \$241.48, 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 nor were the monies subsequently deposited in the Township's bank account. The warrant for \$229.06 was voided by the Auditor of State's office as it was not cashed within the 90 day period. The remittance information for the \$241.48 warrant was found in the Township's records and a deposit slip was prepared; however, this deposit never made it to the Township's bank account. The State Treasurer's website does not show this warrant as being redeemed.

Auditor of State warrants for the February and August 2006 10% property tax rollback payments of \$4,690.18 and \$4,680.04, 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 nor were the monies subsequently deposited in the Township's bank account. The warrant for \$4,690.18 has not been redeemed per the State Treasurer's website. The remittance information for the \$4,680.04 warrant was found in the Township's records and a deposit slip was prepared; however, this deposit never made it to the Township's bank account. The State Treasurer's website does not show this warrant as being redeemed.

We recommend the Township Fiscal Officer complete a "Claim for Reissuance of Voided Warrant due to Age" form for the 4 warrants noted above and submit to the specific agency that paid the warrant so these warrants can be reissued to the Township. A separate form will need completed for each warrant. If these amounts are not collected by the next audit a finding for recovery may be issued against the former Township Fiscal Officer for "public money due but not collected" and/or "public money collected but not accounted for" in the amount of \$9,840.76.

Officials' Response: We will apply to the State to have the checks reissued to the Township by completing a "Claim for Reissuance of Voided Warrant due to Age" for each warrant noted above.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-006

Budget Information

The Township should have internal controls in place to reasonably assure that budgetary accounts are integrated into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted appropriation balances.

The Township Fiscal Officer did not post budgeted receipts or appropriations to the accounting system.

Because there was no budget information entered into the accounting system, Township management was unable to effectively monitor budgetary activity throughout the year.

We recommend the Township Fiscal Officer post the original appropriation resolution and any amendments to the appropriations to the accounting system. We also recommend the Township Fiscal Officer record estimated receipts from the Certificate of Estimated Resources and any amendments thereto to the accounting system.

Officials' Response: The Fiscal Officer will enter estimated receipts and appropriations in the UAN system.

FINDING NUMBER 2007-007

Ohio Rev. Code Section 9.38 states monies should be deposited with the Township Fiscal Officer or designated depository within 24 hours of collection.

This section also stipulates that if the amount of daily receipts does not exceed \$1,000 and the receipts can be safeguarded, public offices may adopt a policy permitting officials who receive money to hold it past the next business day, but the deposit must be made no later than 3 business days after receiving it. If the amount exceeds \$1,000 or a lesser amount cannot be safeguarded, the public official must then deposit the money on the next business day.

Throughout the period, when comparing the date monies were actually received to the deposit date revealed receipts were held and not deposited until 2 to as much as 10 months later. This practice did result in several checks becoming lost and resulted in negative fund balances throughout the period and at December 31, 2007.

To help prevent cash flow problems and the risk of receipts becoming lost, we recommend that deposits be made with the bank on a timely basis, such as on the business day following the date of receipt or within a reasonable period of time thereafter.

Officials' Response: The Fiscal Officer will deposit timely.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-008

Ohio Rev. Code Section 117.38 requires cash-basis entities file annual reports with the Auditor of State within 60 days of fiscal year end. These forms must be filed on forms prescribed by the Auditor of State. Any public office which does not file the report by the required date shall pay a penalty of \$25 for each day the report remains un-filed, not to exceed \$750. Also, the public office must publish notice in a local newspaper stating the financial report is available for public inspection at the office of the chief fiscal officer. The Auditor of State may provide waivers of these dates and penalties in certain circumstances.

The Township did not file the 2007 and 2006 annual financial report until April 1, 2008 and May 21, 2008, respectively. There was also no evidence provided that a public notice was published stating the financial reports were available for public inspection.

We recommend the Township Fiscal Officer file the annual financial report within 60 days of fiscal year end and also publish a notice in the local newspaper that the annual financial report is available for public inspection.

Officials' Response: The annual financial report will be filed with the AOS in a timely manner and we will put the notice in the paper that it is available for inspection.

FINDING NUMBER 2007-009

Ohio Rev. Code Section 149.351(A) states that all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under sections 149.38 to 149.42 of the Revised Code. Such records shall be delivered by outgoing officials and employees to their successors and shall not be otherwise removed, transferred, or destroyed unlawfully.

The following records were not presented to audit for the period January 1 2006 through December 31, 2007:

- Township minute record from January 2006 through December 2006. There were hand written minutes from the meeting of January 2, 2006; however, they were handwritten and not signed by the Township Fiscal Officer or any Township Trustees;
- Township minute record for the period January 2007 through October 2007;
- 2006 W-2 Forms (The Township was assessed a penalty of \$2,930.10 by the Internal Revenue Service for failure to file 2006 W-2's; however, there is no indication this penalty was paid by the Township);
- Vouchers to support payments to vendors; and
- 2006 cancelled checks.

We recommend the Township maintain all records until formally disposed of under a records retention policy. Since it is our understanding that the Township currently has no records retention policy, we suggest the Township work with its legal counsel to develop such a policy.

Officials' Response: The Township will speak to an attorney about a records retention policy.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-010

Ohio Rev. Code Section 505.24(C) sets forth the method by which township trustees' compensation should be allocated. This section is amplified by Ohio Attorney General Opinion 2004-036. This section requires that compensation of a township trustee must be paid from the Township General Fund or from such other restricted township funds, in such proportions based on the amount of time spent on matters related to the services rendered. In addition, OAG Opinion 2004-036 indicates trustees should establish administrative procedures to document the proportionate amount of trustees' salaries chargeable to other township funds based on the portion of time spent on matters related to the services rendered. There is no one method for documenting time and the kinds of services rendered. The "administrative procedures" can be timesheets or a similar method of record keeping, as long as the trustees document all time spent on township business and the type of service(s) performed, in a manner similar to trustees paid per diem compensation. If trustees do not document their time, then no part of salaries may be paid from these other funds. The Township was not "directly informed" of the requirements of Ohio Rev. Code Section 505.24(C) in the audit for the years ended December 31, 2005 and 2004, which was released on March 6, 2008. Therefore, we are not issuing findings for adjustment for undocumented amounts not charged to the General Fund.

For 2007 and 2006, 100% of Township Trustee salaries were paid from the Gasoline Tax Fund. The Township Trustees did not prepare documentation for how they spent their time. It is necessary for township trustees to document their time in order to substantiate that salaries were allocated to the proper funds.

We recommend the Township adopt formal administrative procedures regarding documenting the time spent by Township Trustee's on various duties. Once these administrative procedures are established trustee salaries and related benefits should be charged to the applicable funds in accordance with the timesheets or other similar method of record keeping. If this matter is not corrected in the next audit possible findings for adjustments could be issued if salaries paid from funds other than the General Fund are not substantiated by appropriate time and effort documentation.

Officials' Response: In 2010, the Township Trustees' will keep time sheets and set up in General Fund a line item to pay the Township Trustees' meeting time from.

FINDING NUMBER 2007-011

Ohio Rev. Code Section 507.04 states, in part, that the Township Fiscal Officer shall keep an accurate record of the proceedings of the Board of Township Trustees at all its meetings, and of all its accounts and transactions.

Ohio Rev. Code Section 121.22(C) states, in part, that the minutes of a regular or special meeting of any public body shall be promptly prepared, filed, and maintained and shall be open to public inspection.

Not all minutes were presented for 2007 and 2006. For 2007, only November and December minutes were presented for audit. For 2006, only the January minutes were presented for audit and they were handwritten and not signed by any Township official.

We recommend the Township Fiscal Officer accurately document all information discussed during all meetings of the Township Trustees in the minute record. We further recommend minutes be promptly prepared and made available for public inspection.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-011 (Continued)

Ohio Rev. Code Section 507.04 (Continued)

Officials' Response: Will keep record of minutes.

FINDING NUMBER 2007-012

Ohio Rev. Code Section 5705.10(H) states that money paid into any fund shall be used only for the purposes for which such fund is established.

As a result, a negative fund balance indicates that money from one fund was used to cover expenses of another fund.

At December 31, 2007, the General, Fire, and Ambulance Funds had a negative fund balance in the amount of \$4,516, \$15,948, and \$18,623, respectively.

The negative fund balances in the Fire and Ambulance Funds occurred because the Township paid the Village of Rarden for both its 2007 and 2008 fire and emergency medical services contracts during 2007. It is the practice of the Township to pay the Village once each year for fire and emergency medical services provided to the Township. A payment was made to the Village of Rarden on January 31, 2007 in the amount of \$36,373.89 for 2007 fire services and \$26,485.65 for 2007 emergency medical services. Subsequently on December 17, 2007, payment was made to the Village of Rarden in the amount of \$30,936.83 for 2008 fire services and \$22,907.96 for 2008 emergency medical services. Receipts for 2007, generated by tax levies, in the fire and ambulance funds' only amounted to \$30,907 and \$22,506, respectively, thus resulting in the negative cash fund balances in these 2 funds.

At December 31, 2006, the General Fund had a negative fund balance in the amount of \$480.

We recommend the Township Fiscal Officer and Township Trustees monitor fund activity throughout the year to help prevent future expenditures from exceeding available resources, thus resulting in a cash flow problem.

In regards to the deficit in the Fire and Ambulance Funds we recommend the Township work with the Village of Rarden to adjust the next payment owed to the Village by the amount overpaid in 2007 for fire and emergency medical services. This should result in these funds being solvent again.

Officials' Response: Will work on funds to correct.

FINDING NUMBER 2007-013

Ohio Rev. Code Section 5705.34 states that each taxing authority is to pass an ordinance or resolution to authorize the necessary tax levies. Each such authority is to certify the levies to the County Auditor before October 1, unless a later date is approved by the Tax Commissioner.

For 2007 and 2006, the resolution authorizing the necessary tax levies was not passed until August 1, 2008 and July 2, 2008, respectively, and the resolution was not certified to the County Auditor for 2007 and 2006 until August 5, 2008 and July 3, 2008, respectively.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-013 (Continued)

Ohio Rev. Code Section 5705.34 (Continued)

We recommend the Township Trustees pass the resolution authorizing the necessary tax levies and certify such to the County Auditor prior to October 1 each year.

Officials' Response: Will file the required document timely.

FINDING NUMBER 2007-014

Ohio Rev. Code Section 5705.36(A)(1) states that on or about the first day of each fiscal year, the fiscal officer of each subdivision and other taxing unit shall certify to the County Auditor the total amount from all sources available for expenditures from each fund set up in the tax budget. The amount certified shall include any unencumbered balances that existed at the end of the preceding year.

For 2006, the unencumbered fund balances were not certified with the County Auditor until October 2, 2006. There was no evidence as to when the 2007 unencumbered balances were certified with the County Auditor; however, since the Township did not receive the first amended certificate for 2007 until June 25, 2008 it is unlikely the certification of fund balances was done in a timely manner.

We recommend the Township Fiscal Officer certify to the County Auditor the unencumbered balances of the preceding fiscal year by the first day of the next fiscal year or within a reasonable time thereafter.

Officials' Response: Will prepare the required form and submit to County Auditor timely.

FINDING NUMBER 2007-015

Ohio Rev. Code Section 5705.36(A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

For 2007, total available resources fell below the current level of appropriations in the General, Fire, and Ambulance Funds by \$19,044, \$15,479, and \$42,041, respectively, and the Township Fiscal Officer did not request a reduced amended certificate from the County Auditor.

We recommend the Township Fiscal Officer monitor total available resources (actual receipts plus unencumbered beginning fund balance) more closely throughout the year to determine whether the current level of appropriations is exceeding total available resources. If so, the Township Fiscal Officer should request a revised amended certificate of estimated resources and then the Township Trustees should amend appropriations to be in line with the revised amended certificate.

Officials' Response: Make sure appropriations are within amount from County Auditor's office.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-016

Ohio Rev. Code Section 5705.38(A) requires that on or about the first day of each fiscal year, an appropriation measure is to be passed. If the taxing authority wants to postpone the passage of the annual appropriation measure until an amended certificate is received from the county budget commission based upon the actual year end balances, it may pass a temporary appropriation measure for meeting the ordinary expenses until no later than April 1.

For 2007, the annual appropriation measure was not passed until August 1, 2008. For 2006, there is no indication that appropriations were passed by the Township Trustees; however, 2006 appropriations were filed with the County Auditor on October 16, 2007. The Township Trustees did not sign the 2006 appropriations.

We recommend the Township Trustees pass an appropriations resolution each year in a more timely manner as this is the mechanism that drives the level of spending allowed based on resources available. Without an approved appropriation measure, the Township could incur deficit spending.

Officials' Response: Will pass appropriations timely.

FINDING NUMBER 2007-017

Ohio Rev. Code Section 5705.39 provides, in part, that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure therefrom as certified by the County Budget Commission.

As of December 31, 2007, appropriations exceeded total estimated resources in the following funds:

Fund	Estimated Resources	Appropriations	Variance
General	\$14,520	\$40,438	(\$25,918)
Motor Vehicle License Tax	5,120	6,007	(887)
Gasoline Tax	33,393	67,023	(33,630)
Fire	52,456	66,842	(14,386)
Ambulance	28,265	72,812	(44,547)

As of December 31, 2006, appropriations exceeded total estimated resources in the following funds:

Fund	Estimated Resources	Appropriations	Variance
Motor Vehicle License Tax	\$12,073	\$15,568	(\$3,495)
Ambulance	25,282	31,066	(5,784)

We recommend the Township Trustees and the Township Fiscal Officer monitor appropriations and estimated resources and file amendments as needed with the County Auditor to ensure that the total appropriations from each fund do not exceed the total official estimate or amended official estimate. This will help to reduce the risk of disbursements exceeding actual revenues available and will add a measure of control over the Township's budgetary process.

Officials' Response: We will check budget in future to ensure appropriations remain within estimated resources.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-018

Ohio Rev. Code Section 5705.41(B) prohibits a subdivision or taxing unit from making an expenditure unless it has been properly appropriated.

As of December 31, 2007, the following funds reflected expenditures which exceeded appropriations:

Fund	Appropriations	Expenditures	Variance
Motor Vehicle License Tax	\$6,007	\$10,220	(\$4,213)
Gasoline Tax	67,023	78,320	(11,297)
Fire	66,842	67,311	(469)

As of December 31, 2006, the following fund reflected expenditures which exceeded appropriations:

Fund	Appropriations	Expenditures	Variance
General	\$21,157	\$30,107	(\$8,950)

The Township's failure to limit expenditures to the amounts appropriated could result in deficit spending.

We recommend the Township Trustees and Township Fiscal Officer compare expenditures to appropriations on a monthly basis. If appropriations in addition to those already adopted will be needed, the Township Trustees should take the necessary steps to adopt additional appropriations, if possible, to prevent expenditures from exceeding appropriations or reduce spending. The Township Fiscal Officer should deny requests for payment when appropriations are not available.

Officials' Response: We will keep track of expenditures to make sure they are within appropriations.

FINDING NUMBER 2007-019

Ohio Rev. Code Section 5705.41(D)(1) prohibits a subdivision or taxing authority from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance. Further, contracts and orders for expenditures lacking prior certification shall be null and void.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in Ohio Rev. Code Sections 5705.41(D)(1) and 5705.41(D)(3), respectively:

Then and Now Certificate - If the fiscal officer can certify that both at the time that the contract or order was made "then" and at the time that the fiscal officer is completing the certification "now", that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Township can authorize the drawing of a warrant for the payment of the amount due. The Township has 30 days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-019 (Continued)

Ohio Rev. Code Section 5705.41(D)(1) (Continued)

Amounts of less than \$3,000, may be paid by the fiscal officer without a resolution or ordinance of the Township 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 Township.

Blanket Certificate - Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

Super Blanket Certificate - The Township may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. No more than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

None of the obligations paid by the Township had a statement indicating the purchase was lawfully appropriated or in the process of collection to the credit of an appropriate fund, and free from any previous encumbrance.

Failure to properly certify the availability of funds can result in overspending of funds and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute, but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Township's funds exceeding budgetary spending limitations, we recommend the Township Fiscal Officer certify that funds are or will be available prior to obligations being incurred by the Township.

We recommend the Township certify purchases to which Ohio Rev. Code Section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language Section 5705.41(D) requires to authorize disbursements. The Township Fiscal Officer should sign the certification prior to the Township incurring a commitment, and only when the requirements of Section 5705.41(D) are satisfied. The Township Fiscal Officer should post approved purchase commitments to the proper appropriation code to reduce the available appropriation.

Officials' Response: We will do purchase orders to certify funds are available.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (Continued)

FINDING NUMBER 2007-020

Ohio Rev. Code Section 5747.06(A), states, in part, that every employer, including the state and its political subdivisions, maintaining an office or transacting business within this state and making payment of any compensation to an employee who is a taxpayer shall deduct and withhold from such compensation for each payroll period a tax computed in such manner as to result, as far as practicable, in withholding from the employee's compensation during each calendar year an amount substantially equivalent to the tax reasonably estimated to be due from the employee under this chapter and Chapter 5748 of the Revised Code with respect to the amount of such compensation included in the employee's adjusted gross income during the calendar year. The employer shall deduct and withhold the tax on the date that the employer directly, indirectly, or constructively pays the compensation to, or credits the compensation to the benefit of, the employee. The method of determining the amount to be withheld shall be prescribed by rule of the tax commissioner.

Ohio Rev. Code Section 5747.07(B)(4) states that an employer shall make the payment of undeposited taxes for each calendar quarter during which they were required to be withheld no later than the last day of the month following the last day of March, June, September, and December of each year. The employer shall file the return prescribed by the tax commissioner with the payment.

For 2007 and 2006, state taxes were withheld from employee's and official's wages; however, the amounts deducted were not remitted to the State Department of Taxation.

We recommend the Township Fiscal Officer remit the amounts withheld from employee's wages for 2007 and 2006 to the State Department of Taxation. There will likely be interest charges and penalties imposed on the amounts not remitted timely.

Officials' Response: On May 31, 2008, the Township remitted the total state taxes withheld in 2007 of \$316.77 to the Ohio Treasurer of State. On June 30, 2008, the Township remitted the total state taxes withheld in 2006 of \$313.20 to the Ohio Treasurer of State.

FINDING NUMBER 2007-021

26 U.S.C. Section 3101 establishes the rates of taxation for Social Security and Medicare withholdings and 26 U.S.C. Section 3102(a) requires the withholding of these taxes from gross wages on the rates set forth in Section 3101.

The Township did withhold Medicare taxes from employee's and official's; however, the Township Fiscal Officer did not remit the employee or employer matching contribution to the Internal Revenue Service.

We recommend the Township Fiscal Officer remit the amounts withheld from employee's wages for 2007 and 2006 to the Internal Revenue Service. There will likely be interest charges and penalties imposed on the amounts not remitted timely.

This matter will be referred to the Internal Revenue Service for whatever action they deem necessary.

Officials' Response: On August 31, 2009, the Township remitted the 2007 employee and employer share of Medicare tax to the Internal Revenue Service (IRS) in the amount of \$1,306.39. We will check on the 2006 payment that is owed.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2005-001	Material Weakness – internal control issues regarding bank reconciliations, payroll, and depositing of monies.	No	Not Corrected; Reissued as Finding Numbers 2007-002, 2007-004, and 2007-007.
2005-002	Ohio Rev. Code Section 5705.28 regarding filing of the tax budget with the County Auditor.	N/A	Finding No Longer Valid.
2005-003	Ohio Rev. Code Section 5705.41(D), not properly certifying the availability of funds prior to incurring obligations.	No	Not Corrected; Reissued as Finding Number 2007-019.
2005-004	Reportable Condition – Appropriations not entered in the accounting system nor approved by the Township Trustees.	No	Not Corrected; Reissued as Finding Numbers 2007-006 and 2007-016.
2005-005	Ohio Rev. Code Section 5705.41(B) expenditures exceeded appropriations in all funds.	No	Not Corrected; Reissued as Finding Number 2007-018.
2005-006	Material Weakness – accounting ledgers not properly maintained.	No	Not Corrected; Reissued as Finding Number 2007-001.
2005-007	Ohio Rev. Code Section 5705.38 permanent appropriations never passed by the Township Trustees.	No	Partially Corrected; Reissued as Finding Number 2007-016.
2005-008	Ohio Rev. Code Section 5705.39 no certificate received from County Auditor indicating appropriations did not exceed estimated resources.	No	Not Corrected; Reissued as Finding Number 2007-017.

**RARDEN TOWNSHIP
SCIOTO COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006
(Continued)**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2005-009	Ohio Rev. Code Section 5705.34 not passing a resolution authorizing the necessary tax levies.	No	Partially Corrected; Reissued as Finding Number 2007-013.
2005-010	Ohio Rev. Code Section 5705.36 not certifying beginning unencumbered balances with the County Auditor in a timely manner.	No	Not Corrected; Reissued as Finding Number 2007-014.
2005-011	Ohio Rev. Code Section 507.04 not all pertinent financial matters noted in the minute record.	No	Not Corrected; Reissued as Finding Number 2007-011.
2005-012	Ohio Rev. Code Section 9.38 not making timely deposits.	No	Not Corrected; Reissued as Finding Number 2007-007.
2005-013	Material Weakness – documentation not provided to support state and federal withholdings from employee payrolls.	No	Not Corrected; Reissued as Finding Numbers 2007-020 and 2007-021.



Mary Taylor, CPA
Auditor of State

RARDEN TOWNSHIP

SCIOTO 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
NOVEMBER 10, 2009**