



**KILLBUCK COMMUNITY IMPROVEMENT CORPORATION
HOLMES COUNTY**

BASIC AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2014-2013



Dave Yost • Auditor of State



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Killbuck Community Improvement Corporation
Holmes County
P.O. Box 402
Killbuck, Ohio 44637

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Killbuck Community Improvement Corporation, Holmes County, Ohio (the CIC), for the years ended December 31, 2014 and 2013.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the CIC's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the CIC's financial statements, transactions or balances for the years ended December 31, 2014 and 2013.

The CIC's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Current Year Observations

1. We noted the CIC did not document the performance of a formal bank to book reconciliation process during 2014 and 2013. Furthermore, the CIC did not maintain receipt and expenditure ledgers other than a bank account check book register. We were able to determine the CIC did reconcile as of December 31, 2014 and 2013.

Reconciling cash and the maintenance of revenue and expenditure journals are a critical control in ensuring all transactions are posted accurately and in the proper accounting period.

Also, the CIC's small size requires governing board involvement with critical accounting processes (such as bank reconciliation) to compensate for the inability to segregate these duties. The absence of these reviews may be a material weakness in internal accounting control, resulting in inaccurate cash balances, or even undetected theft.

Current Year Observations (Continued)

2. As required by Ohio Rev. Code Section 149.351, which in summary states 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, the CIC did not maintain all receipt and expenditure supporting documentation. By not maintaining adequate supporting documentation, the CIC cannot fully substantiate the legitimacy of the receipt or expense. Based on our review, it appeared all activity was of a nature allowable based on the CIC's operations.

The CIC should ensure proper supporting documentation is maintained for all financial activity. This documentation should be maintained for a sufficient period of time as required by Ohio Revised Code.

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

Dave Yost
Auditor of State
Columbus, Ohio

July 28, 2015



Dave Yost • Auditor of State

KILLBUCK COMMUNITY IMPROVEMENT CORPORATION

HOLMES 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
AUGUST 13, 2015**