



OHIO AUDITOR OF STATE
KEITH FABER



OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash
11117 Kenwood Road
Blue Ash, Ohio 45242-1817
(513) 361-8550 or (800) 368-7419
SouthwestRegion@ohioauditor.gov

Perry Township
Pike County
Bainbridge, Ohio 45612

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Perry Township, Pike County, (the Township) for the years ended December 31, 2020 and 2019.

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 Township's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Township's financial statements, transactions or balances for the years ended December 31, 2020 and 2019.

The Township'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.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

1. **Ohio Rev. Code § 2921.42(A)(1)** states that no public official shall knowingly authorize, or employ the authority of influence of the public official's office to secure authorization of any public contract in which the public official, a member of the public official's family, or any of the public official's business associates has an interest.

Ohio Rev. Code § 2921.42(H) provides that any public contract in which a public official, a member of the public official's family, or any of the public official's business associates has an interest in violation of this section is void and unenforceable.

Ohio Rev. Code §102.03(D) states that no public official or employee shall use or authorize the use of the authority or influence of office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

1980 Ohio Ethics Commission Op. No. 80-001, has defined a family member as including, but not limited to: (a) grandparents; (b) parents; (c) spouse; (d) children, whether dependent or not; (e) grandchildren; (f) brothers and sisters; and (g) any person related by blood or marriage and residing in the same household.

Trustee Bill Branscomb sold his skidsteer to Houser and Son Farm Equipment LLC. It was not noted on the invoice to Mr. Branscomb as a "trade-in". Perry Township purchased the skidsteer from Houser and Son Farm Equipment. Mr. Branscomb purchased a new tracked loader from Houser and Son Farm Equipment. The invoice to Mr. Branscomb shows the amount received from Perry

Township was used as a credit and Mr. Branscomb only paid the difference for the new tracked loader. Bills of Sale show that Mr. Branscomb signed off on both transactions, one for himself and one as representative of Perry Township.

The Township hired Garrett Branscomb to remove debris from ditches. Garrett Branscomb is a grandson of Bill Branscomb, Trustee. Mr. Branscomb abstained from voting on the hiring of Garrett Branscomb but signed the checks made payable to Garrett Branscomb.

The Township hired Landry Faulconer for mowing of township cemeteries. Landry Faulconer is a grandson-in-law of Bill Branscomb, Trustee. Mr. Branscomb abstained from voting on the hiring of Landry Faulconer but signed the checks payable to Landry Faulconer.

The Township should develop a formal policy regarding related party transactions to govern transactions in which members of the Board or the Township may have a personal interest. This policy may include Board members abstaining from voting on related party items. Additionally, Board members should refrain from voting on anything that is family related.

This matter will be referred to the Ohio Ethics Commission.

2. House Bill 312 requires political subdivisions to follow procedures for the use of credit card accounts, including adopting a policy, conducting a periodic review, and in some cases providing itemized receipts to the political subdivision. The statute establishes two separate internal control models for credit card usage by political subdivisions: the custody and control model and the compliance officer model. Not later than February 2, 2019, the legislative authority of a political subdivision that holds a credit card account must adopt one of these written policies for the use of credit card accounts. Otherwise, a legislative authority must adopt a written policy before the use of a card account.

The Township has not established a credit card policy in accordance with House Bill 312.

The Township should establish and approve a credit card policy. This policy should, at a minimum, identify authorized users; establish guidelines for allowable use/purchases; established method of reimbursement (if personal use is allowed); establish specific unallowable uses; establish reporting; establish monitoring of use by appropriate levels of management; and establish other guidelines deemed appropriate by the legislative body, such as detailed receipts.

3. **Ohio Rev. Code § 507.12 and §733.81** states a newly elected or appointed fiscal officer shall complete at least six hours of initial education programs before commencing, or during the first year of office. An additional eighteen hours of continuing education must be completed within the fiscal officer's first term. Twelve hours of training shall be completed for each subsequent term.

The Fiscal Officer obtained 11.25 hours of the required 12 hours. The Township Fiscal Officer should obtain required continuing education and report that training through the Fiscal Integrity Act portal.



Keith Faber
Auditor of State
Columbus, Ohio
May 25, 2021

OHIO AUDITOR OF STATE KEITH FABER



PERRY TOWNSHIP

PIKE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 6/8/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov