



OHIO AUDITOR OF STATE
KEITH FABER





88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

BASIC AUDIT REPORT

Village of Harrisville
Harrison County
P.O. Box 249
Harrisville, Ohio 43974

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

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the Village’s financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village’s financial statements, transactions or balances for the years ended December 31, 2020 and 2019.

The Village’s management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 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 § 9.22** states no political subdivision may hold or utilize a debit card account, except for law enforcement purposes. The Village maintains a debit card account and it is not used for law enforcement purposes. The Village should discontinue use of the debit card account.
2. **Ohio Rev. Code § 117.38** states each public office shall file a financial report for each fiscal year. The report shall be certified by the proper officer or board and filed with the Auditor of State within sixty days after the close of the fiscal year. The Auditor of State may extend the deadline for filing a financial report and establish terms and conditions for any such extension. The Village’s 2020 financial statements and notes were not filed in the Hinkle System until March 23, 2021, which was past the March 1, 2021 deadline. No extension was obtained. The Village should ensure that annual financial statements and notes are filed by the required deadline.
3. **Ohio Rev. Code § 149.43(E)(1) and 109.43(B)** state, in part, to ensure that all employees of public offices are appropriately educated about a public office’s obligations under division (B) of this section, all elected officials or their appropriate designees shall attend training approved by the attorney general as provided in § 109.43 of the Revised Code. The attorney general shall develop, provide, and certify training programs and seminars for all elected officials or their appropriate designees, in order to enhance the officials’ knowledge of the duty to provide access to public records as required by § 149.43 of the Revised Code. The training shall be three hours for every term of office for which the elected official was appointed or elected to the public office involved. The Village’s mayor, or an approved designee, did not successfully attend a certified three-hour Public Records Training during her term of office ended December 31, 2019. The Village officials or their designee should attend at least 3 hours of training on Ohio’s Public Records Laws during their term of office.

Current Year Observations (Continued)

4. We noted that the Village has not adopted a public records policy or adopted a formal records retention schedule in accordance with **Ohio Rev. Code § 149.43**. The Village should establish a public records policy and a records retention schedule in accordance with the aforementioned Ohio Revised Code.
5. We identified a mileage reimbursement in which the Village's Mayor was over-reimbursed by \$177 due to a miscalculation by the Village's Fiscal Officer in 2020. The Village Fiscal Officer should ensure all documentation submitted for reimbursement is carefully reviewed and properly recalculated.
6. We noted the Village did not remit an Ohio Public Works Commission (OPWC) debt payment of \$458 during 2020, which was due July 1, 2020. The Village should ensure debt payments are consistently paid by the due date.
7. The Village does not maintain documentation or require approval of non-cash adjustments that are made to customer accounts in the utility system. Village Council also does not periodically review the utility billing and receivable records. The Village should maintain documentation of all non-cash adjustments to customer utility accounts, as well as require approval of these adjustments by the appropriate Village personnel. Village Council should also periodically review utility billing and receivable records.
8. During a review of debit card transactions made in 2020 and 2019 we noticed 4 expenditures totaling \$6,665 to a company that appeared to be posing as Microsoft with the intent of fixing the Mayor's computer that became non-operational. While this company did get the computer running they continued to bill the Village for services and the computer had to later be replaced due to being infected with viruses. Village Council was not made aware of this situation nor did the Mayor or Fiscal Officer report the incident to local law enforcement and try to recover the funds. To prevent this from happening again, Village Council should implement the Auditor of State (AOS) cyber security checklist and follow the Cyber Incident Response document to report the incident, determine whether this was a ransomware attack, and try to recover the funds. These educational resources are located at [Cybersecurity \(ohioauditor.gov\)](https://www.ohioauditor.gov/cybersecurity).



Keith Faber
Auditor of State
Columbus, Ohio

November 4, 2021

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF HARRISVILLE

HARRISON 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 11/16/2021

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