



OHIO AUDITOR OF STATE  
**KEITH FABER**





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## BASIC AUDIT REPORT

Gnadenhutzen Clay Union Cemetery  
Tuscarawas County  
235 South Cherry Street  
P.O. Box 498  
Gnadenhutzen, Ohio 44629

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of Gnadenhutzen Clay Union Cemetery, Tuscarawas County, Ohio (the Cemetery) for the years ended December 31, 2021 and 2020.

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 Cemetery's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Cemetery's financial statements, transactions or balances for the years ended December 31, 2021 and 2020.

The Cemetery'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 and Current Status of Matters Reported in our Prior Engagement

- 1. Ohio Rev. Code §117.38** states that each public office, other than a state agency, 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, except that public offices reporting pursuant to generally accepted accounting principles shall file their reports within one hundred fifty days after the close of the fiscal year.

The Cemetery did not file within the required time period as the 2020 financial report due on March 1, 2021, was not filed until May 13, 2021.

The Cemetery should ensure that the required reports are filed by the annual deadline. Our prior basic audit also reported this issue.

**Current Year Observations and Current Status of Matters Reported in our Prior Engagement (Continued)**

2. **Ohio Rev. Code § 149.43(B)(2)** states to facilitate broader access to public records, a public office or the person responsible for public records shall organize and maintain public records in a manner that they can be made available for inspection or copying in accordance with division (B) of this section. A public office also shall have available a copy of its current records retention schedule at a location readily available to the public. If a requester makes an ambiguous or overly broad request or has difficulty in making a request for copies or inspection of public records under this section such that the public office or the person responsible for the requested public record cannot reasonably identify what public records are being requested, the public office or the person responsible for the requested public record may deny the request but shall provide the requester with an opportunity to revise the request by informing the requester of the manner in which records are maintained by the public office and accessed in the ordinary course of the public office's or person's duties.

The Cemetery has not approved a formal records retention policy.

The Cemetery should establish a formal records retention policy and ensure it is readily available to the public. Our prior basic audit also reported this issue.

3. **Ohio Rev. Code § 149.43(E)(2)** states public offices shall adopt a public records policy in compliance with this section for responding to public records requests. In adopting a public records policy under this division, a public office may obtain guidance from the model public records policy developed and provided to the public office by the attorney general under § 109.43 of the Revised Code. Except as otherwise provided in this section, the policy may not limit the number of public records that the public office will make available to a single person, may not limit the number of public records that it will make available during a fixed period of time, and may not establish a fixed period of time before it will respond to a request for inspection or copying of public records, unless that period is less than eight hours.

The public office shall distribute the public records policy adopted by the public office under this division to the employee of the public office who is the records custodian or records manager or otherwise has custody of the records of that office. The public office shall require that employee to acknowledge receipt of the copy of the public records policy. The public office shall create a poster that describes its public records policy and shall post the poster in a conspicuous place in the public office and in all locations where the public office has branch offices. The public office may post its public records policy on the internet web site of the public office if the public office maintains an internet web site. A public office that has established a manual or handbook of its general policies and procedures for all employees of the public office shall include the public records policy of the public office in the manual or handbook.

The Cemetery does not have an approved public records policy as required by Ohio Rev. Code § 149.43(E)(2). Our prior basic audit also reported this issue.

The Cemetery should establish a public records policy, ensure the policy is publicly posted and written evidence is maintained the records custodian has received the policy. Our prior basic audit also reported this issue.

**Current Year Observations and Current Status of Matters Reported in our Prior Engagement (Continued)**

- 4. Ohio Rev. Code § 5705.41(B)** prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the Cemetery's General Fund had expenditures in excess of appropriations of \$1,161 as of December 31, 2021.

Failure to have adequate appropriations in place at the time expenditures are made could cause expenditures to exceed available resources, further resulting in deficit spending practices.

The Cemetery should closely monitor expenditures and appropriations and make the necessary appropriation amendments, if possible, to reduce the likelihood of expenditures exceeding appropriations. Additionally, the Fiscal Officer should deny payment requests exceeding appropriations when appropriations are inadequate to cover the expenditures.

- 5.** The Cemetery hired a grounds keeper to maintain the cemetery and mainly mow grass. As stipulated in previous employee contracts with the grounds keeper, the individual is to receive a monthly salary throughout the year with a higher monthly salary earned during the months of March through October. The monthly salary paychecks are processed by the Village of Gnadenhutzen including the withholding and remittance of taxes and pension. The individual who signed the employee contracts is the one who is also receiving the monthly paychecks and subsequently the years of service credit and pension benefits with the Ohio Public Employee Retirement System (OPERS). This was verified as the invoice from the Village of Gnadenhutzen to the Cemetery in order to receive reimbursement showed the individual's name and the amount paid to her. However, the Clerk noted that the work is actually being performed by the individual's husband. At the time of hire, the husband asked that the Cemetery issue the checks to his wife and enter into an agreement with her in order for her to receive the pension benefits. Board minutes dating back to 2013 and 2016 also show that the husband mowed the grass and not the individual that signed the previous employee contracts. Additionally, as the Cemetery reimburses the Village once a year in the subsequent year, the reimbursement paid in 2020 relates to 2019. Employee contracts were not available for 2019.

Although the Clerk corrected this matter in May 2020 and entered into a new contract agreement under the husband's name, the years of service credit and pension benefits from previous years is still credited to the wife.

The Cemetery should work with the Village of Gnadenhutzen to correct the improper reporting of pension benefits in the name of the wife and transfer the credit and retirement benefits to the husband. The Cemetery should also ensure that employee contracts are prepared each year for each employee.

The Cemetery contacted OPERS on April 12, 2021 to alert them of this error in reporting. Our prior basic audit also reported this issue.

**Current Year Observations and Current Status of Matters Reported in our Prior Engagement  
(Continued)**

6. **Ohio Admin. Code §117-2-02(C)(1)** requires all local public offices to integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system in order to effectively maintain the accounting and budgetary records. However, we noted that the Cemetery did not integrate estimated revenue, Board-approved appropriations and encumbrances into their accounting software. As a result, there was an increased risk of the Cemetery utilizing inaccurate budgetary information when making decisions.

The Cemetery should integrate all budgetary information into their ledgers. This will help to improve the accuracy of information reported and provide accurate budget versus actual comparisons which will allow management and the Board to make informed financial decisions. Our prior basic audit also reported this issue.



Keith Faber  
Auditor of State  
Columbus, Ohio

October 21, 2022

# OHIO AUDITOR OF STATE KEITH FABER



**GNADENHUTTEN CLAY UNION CEMETERY**

**TUSCARAWAS 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 11/10/2022**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)