



JEFFERSON TOWNSHIP, ROSS COUNTY

**Independent Accountant's Report on
Applying Agreed-Upon Procedures**

**For the Years Ended
December 31, 2021 and 2020**

J.L. UHRIG
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS



OHIO AUDITOR OF STATE
KEITH FABER



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225 Market Street
Jefferson Township
225 Market Street
Richmond Dale, Ohio 45673

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures of Jefferson Township, Ross County*, prepared by J.L. Uhrig and Associates, Inc., for the period January 1, 2020 through December 31, 2021. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Jefferson Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 30, 2022

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Jefferson Township
Ross County
225 Market Street
Richmond Dale, Ohio 45673

We have performed the procedures enumerated below on Jefferson Township, Ross County (the Township) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2021 and 2020 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Township. The Township is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2021 and 2020 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Township.

The Board of Trustees and the management of the Township have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Township's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2021 and 2020, and certain compliance requirements related to these transactions and balances. Additionally, the Auditor of State has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash

1. We recalculated the December 31, 2021 and December 31, 2020 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2020 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2019 balances in the prior year documentation in the Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2021 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2020 balances in the Fund Ledger Report. We found no exceptions.

3. We agreed the 2021 and 2020 Bank Reconciliation as of December 31, 2021 and 2020 to the total fund cash balances reported in the Fund Status Report and the financial Statements filed by the Township in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2021 bank account balances with the Township's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2021 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2021 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the Payment Register Detail, to determine the debits were dated prior to December 31. There were no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of five receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution List (DTL) and the Ross County Audit Trail Report for 2021 and a total of five from 2020:
 - a. We compared the amount from the above named reports to the amount recorded in the Receipt Detail Report. The amounts agreed.
 - b. We inspected the Receipt Detail Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Receipt Detail Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Receipts Detail Report to determine whether it included two real estate tax receipts for 2021 and 2020. The Receipt Detail Report included the proper number of tax receipts for each year. We found no exceptions.

Other Receipts

1. We selected 10 other receipts from the year ended December 31, 2021 and 10 other receipts from the year ended 2020 and:
 - a. Agreed the receipt amount agreed to the amount recorded in the Receipt Register Report to supporting documentation. The amounts agreed.
 - b. Inspected the Receipt Register Report to determine the receipt was posted to the proper funds, and was recorded in the proper year. We found no exception.

Debt

1. From the prior agreed-upon procedures documentation, we observed the following loan was outstanding as of December 31, 2019. This amount did not agree to the Townships January 1, 2020 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2019:
Squad	\$85,714

2. We inquired of management, and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2021 and 2020 or Debt Payment Activity during 2021 or 2020. We noted payments were not recorded properly on the summary we used in procedure 3. We found the Principal was overstated in 2021 by \$2,672 and interest was understated by \$2,672 in the Payment Register Detail Report for the Squad. We found the Principal was overstated in 2020 by \$3,222 and interest was understated by \$3,222 in the Payment Register Detail Report for the Squad. There were no new debt issuances during 2021 or 2020.
3. We obtained a summary of loan debt activity for 2021 and 2020 and agreed Principal and Interest payments from the related debt amortization schedule to the Gasoline Tax Fund payments reported in the Payment Register Detail Report. We also compared the date the debt service payments were due to the date the Township made the payments. We noted payments were not recorded properly on the summary we used in procedure 3. We found the Principal was overstated in 2021 by \$2,672 and interest was understated by \$2,672 in the Payment Register Detail Report for the Squad. We found the Principal was overstated in 2020 by \$3,222 and interest was understated by \$3,222 in the Payment Register Detail Report for the Squad.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2021 and one payroll check for five employees from 2020 from the Wage Detail Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - i. We inspected the employees' personnel files for the Retirement System, Federal, State & Local income tax withholding authorization. We found no exceptions.
 - ii. We agreed these items to the information used to compute gross and net pay related to this check. We found no exceptions.

- b. We inspected the fund and account code to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the employees' personnel files. We found no exceptions.
 - c. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2021 to confirm remittances were timely paid, and the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2021. We observed the following:

Withholding	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare	January 31, 2022	January 4, 2022	\$1,482.29	\$1,482.29
State income taxes	January 15, 2022	January 6, 2022	\$211.85	\$211.85
OPERS retirement (withholding plus employer share)	January 31, 2022	January 7, 2022	\$2,019.43	\$2,019.43

We found no exceptions.

- 3. For the pay periods ended March 2020 and December 2021, we
 - a. Recomputed the allocation of the Board salaries to the General and Gasoline Tax Fund per the Wage Detail Report. We found during 2020 the Trustees were paid from General, Motor Vehicle Tax, Gasoline Tax, Cemetery and Fire Special Levy Funds. We found the Fiscal officer and Trustees were all paid from General Fund during 2021.
 - b. Traced the Board salary for time or services performed to supporting certifications the Revised Code requires. We found the Township did not use supporting certifications that were required during 2020.
- 4. We compared total gross pay for the fiscal officer and each board member for 2021 and 2020 to the compensation permitted by Ohio Revised Code Sections 507.09 and 505.24, respectively. We found no exceptions.
- 5. We inquired of management and inspected the Payment Register Detail Report for the years ended December 31, 2021 and 2020 to determine if Township employees and/or trustees were reimbursed for out-of-pocket insurance premiums. No such reimbursements occurred.

Non-Payroll Cash Disbursements

1. We selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2021 and ten from the year ended 2020 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
 - d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2021 and 2020 for the General, Road and Bridge, and Coronavirus Relief funds, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.
2. We inspected the Cash Summary by Fund Report for the years ended December 31, 2021 and 2020 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. No funds had a negative cash fund balances.

Sunshine Law Compliance

1. We obtained and inspected the Township's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person or limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.

2. We selected public records requests from the engagement period and inspected each request to determine the following:
 - c. We inquired with the Township management and determined that the Township did not have any completed public records requests during the engagement period.
 - d. The Township did not have any denied public records requests during the engagement period.
 - e. The Township did not have any public records requests with redactions during the engagement period.
3. We inquired whether the Township has a records retention schedule and observed that it was readily available to the public as required by Ohio Rev. Code 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code 149.43(E)(2). We found no exceptions.
5. We inspected the Township's policy manual and determined the public records policy was included as required by Ohio Rev. Code 149.43(E)(2). We found no exceptions.
6. We observed that the Township's poster describing their Public Records Policy was displayed conspicuously in all branches of the Township as required by Ohio Rev. Code 149.43(E)(2). We have no exceptions.
7. We inquired with Township management and determined that the Township did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inquired with Township management and determined that the Township did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the Township notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code 121.22(F). We have no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We have no exceptions.

11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code 121.22(G) and determined the following:
- a) Executive sessions were only held at regular or special meetings.
 - b) The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
 - c) Formal governing board actions were adopted in open meetings.
- We have no exceptions.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires townships to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Township filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy, for the years ended December 31, 2021 and 2020 in the Hinkle system. Financial information for 2021 and 2020 was filed on May 2, 2022, which was not within the allotted timeframe.

We were engaged by the Township to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Township's receipts, disbursements, balances and compliance within certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Township and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

July 25, 2022

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OHIO AUDITOR OF STATE KEITH FABER



JEFFERSON TOWNSHIP

ROSS 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 9/13/2022

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