



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Clifton Union Cemetery
Greene County
101 E. Herman St.
Yellow Springs, Ohio 45387

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Clifton Union Cemetery, Greene County, (the Cemetery) for the years ended December 31, 2022 and 2021.

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 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, 2022 and 2021.

The Cemetery'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. We noted the Cemetery did not perform formal bank reconciliations during the audit period. Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

The Fiscal Officer is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Board and/or other administrator are responsible for reviewing the reconciliations and related support.

Monthly bank to book reconciliations were not prepared or reviewed each month of 2022 and 2021. Failure to reconcile monthly increases the possibility that the Cemetery will not be able to identify, assemble, analyze, classify, and record its transactions correctly or to document compliance with finance related legal and contractual requirements. Further, the lack of accurate monthly reconciliations increases the risk of theft/fraud over the cash cycle and could lead to inaccurate reporting in the annual financial statements.

Current Year Observations (Continued)

The Fiscal Officer should record all transactions and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. Variances should be investigated, documented and corrected. In addition, the Board should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews.

2. We noted the Cemetery did not maintain a receipts ledger/journal recording the daily transactions of the Cemetery for 2022 and 2021. Furthermore, the Cemetery did not utilize duplicate receipts, nor maintain supporting documentation to support receipts. This limits accounting controls over the original entry of revenues and makes it difficult to determine if the correct amounts are received.

The Cemetery should maintain a daily receipts ledger and/or journal documenting individual transactions and supporting documentation for all revenues including prenumbered duplicate receipts to provide stronger accounting control over the original entry of revenues and improve accountability. Failure to properly track transactions can result in loss of funds.

3. **Ohio Rev. Code §117.38** states, in part, each public office, other than a state agency, shall file a financial report for each fiscal year. The auditor of state may prescribe forms by rule or may issue guidelines, or both, for such reports. If the auditor of state has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. 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 had sixty days after the close of the fiscal year to file its Hinkle Report with the Auditor of State, which was March 1, 2022. The Cemetery filed its report on April 13, 2023.

The Cemetery should implement procedures to verify the annual financial report is filed timely in accordance with applicable laws and regulations to promote financial reporting and accountability. Failure to file can result in fines and penalties being assessed against the Cemetery.

4. We noted the Cemetery did not maintain written documentation to demonstrate its Public Records Policy was provided to the current records custodian or records manager. **Ohio Rev. Code § 149.43(E)(2)** states the public office shall distribute the public records policy to the employee who is the records custodian or records manager or employee who otherwise has custody of the records of that office and have that employee acknowledge receipt of the copy of the public records policy. The Cemetery should maintain and provide written documentation to demonstrate that its Public Records Policy was provided to the current records custodian or records manager. Our prior audit also reported this compliance issue.
5. We noted the Cemetery failed to properly notify the public of its meetings during the audit period as statutorily required. **Ohio Rev. Code § 121.22(F)** states that every public body, by rule, shall establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. Appropriate rules should be established by the Cemetery regarding the notification of meetings to the public as statutorily required. Furthermore, policies and procedures should be established and implemented to verify that all meetings are held in accordance with the Ohio Sunshine Laws. Failure of the Cemetery to have an open meeting of the public body could result in a resolution, rule, or formal action of any kind being declared invalid. Our prior audit also reported this compliance issue.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive style with a large, stylized 'K' and 'F'.

Keith Faber
Auditor of State
Columbus, Ohio

August 2, 2023

OHIO AUDITOR OF STATE KEITH FABER



CLIFTON UNION CEMETERY

GREENE 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 8/15/2023

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This report is a matter of public record and is available online at
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