



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Village of Macksburg
Washington County
235 Back Road
Macksburg, Ohio 45746

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 Macksburg, Washington County, Ohio (the Village) for the years ended December 31, 2022 and 2021.

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, 2022 and 2021.

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. During 2022, the Village purchased \$486 in clothing from Your Way Graphics, which is owned by the Fiscal Officer. While the Village Council approved the purchases and the amounts appear reasonable based on support maintained, the Fiscal Officer did not document abstaining from the purchasing decision nor document quotes obtained from other companies to help support that the transaction was at arms-length. Village Officials should abstain from any purchasing decisions involving companies they own and take measures to prevent potential conflicts of interest.
2. Ohio Rev. Code § 149.43(B)(2) provides that the Village should have an approved records retention schedule which is readily available to the public. The Council did not approve a formal records retention schedule. This could lead to improper destruction of records. The Council should approve the required record retention schedule.
3. Ohio Rev. Code § 5705.10(D) provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose. In 2021, the Village posted receipts to incorrect funds resulting in an overstatement in the Street Construction, Maintenance, and Repair Fund of \$619 and an understatement in the Permissive Motor Vehicle License Tax Fund and State Highway Fund of \$75 and 544, respectively. In 2022, the Village posted receipts to incorrect funds resulting in an overstatement in the Street Construction, Maintenance, and Repair Fund of \$294, an

Current Year Observations (Continued)

overstatement in the General Fund of \$69, an understatement in the Permissive Motor Vehicle License Tax Fund of \$105, and understatement in the State Highway Fund of \$258. The client has made the stated adjustments to their accounting system. The lack of controls over the posting of financial transactions decreases the reliability of financial data at year-end and can result in undetected errors and irregularities. The Village should implement controls to help ensure all transactions are reviewed to help ensure posting to the proper funds.

4. All local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements, and prepare financial statements required by rule 117-2-03 of the Administrative Code. The Fiscal Officer did not post, nor deposit with the Village's financial institution, \$2,206 in Intergovernmental receipts received from Washington County in July 2021 until August 2023. The Fiscal Officer should monitor transactions and establish procedures to help ensure timely posting of transactions.

Current Status of Matters Reported in our Prior Engagement

1. The prior audit included noncompliance with Ohio Rev. Code § 109.43(B) and 149.43(E)(1) relating to the lack of certified public records training. All required training was obtained for 2022 and 2021.
2. The prior audit included noncompliance with Ohio Rev. Code § 149.43(B)(2) relating to the lack of a formal records retention schedule. This was repeated in Current Year Observation 2 above.
3. The prior audit included noncompliance with Ohio Rev. Code § 5705.10(D) relating to posting activity to the incorrect fund. This was repeated in Current Year Observation 3 above.



Keith Faber
Auditor of State
Columbus, Ohio

September 6, 2023

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF MACKSBURG

WASHINGTON 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 9/21/2023

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