



OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Xenia Township
Greene County
8 Brush Row Road
Xenia, Ohio 45385

We have performed the procedures enumerated below on Xenia Township's (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. 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 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 (adjusted UAN Balances and Adjusted Bank Balances) 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.

Cash (Continued)

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 check register, and determined the debits were dated prior to December 31. We found no exceptions.

Property Taxes and Intergovernmental Cash Receipts

1. We selected a total of five receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Lists (DTL), and the Greene County Detail Expense 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 §§ 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 Receipt 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.

Debt

1. From the prior agreed-upon procedures documentation, we observed the following loan was outstanding as of December 31, 2019. This amount agreed to the Township's January 1, 2020 balance on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2019:
LGIF Loan	\$50,000

2. We inquired of management and inspected the Receipt Detail Report and Payment Register Detail Report for evidence of debt issued during 2021 or 2020 or debt payment activity during 2021 or 2020. All debt agreed to the summary we used in procedure 3.
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 fire district 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 found no exceptions.

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 or legislatively-approved rate or salary).
 - i. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
 - 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 codes to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the employees' personnel files and minute record. 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 if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2021. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2022	December 30, 2021	\$7,962.86	\$7,962.86
State income taxes	January 15, 2022	December 30, 2021	\$2,916.11	\$2,916.11
Local income tax - City	January 31, 2022	December 30, 2021	\$997.78	\$997.78
Local income tax – School District	January 31, 2022	December 30, 2021	\$670.44	\$670.44
OPERS retirement	January 30, 2022	December 30, 2021	\$12,250.09	\$12,250.09
OP&F retirement	January 31, 2022	December 30, 2021	\$7,216.29	\$7,216.29

We found no exceptions.

3. We compared total gross pay for the fiscal officer and each trustee for 2021 and 2020 to the compensation permitted by Ohio Revised Code §§ 507.09 and 505.24, respectively. We identified an underpayment of compensation in 2020 and five overpayments of compensation in 2021 as described below:
 - a. **Ohio Rev. Code § 507.09(A)(5)** states, in part, in calendar year 2018, the township fiscal officer shall be entitled to compensation as follows: In townships having a budget of more than one million five hundred thousand but not more than three million five hundred thousand dollars, twenty-one thousand eight hundred thirty-six dollars. **Ohio Rev. Code § 507.09(B)** continues that in calendar year 2019 and in each calendar year thereafter through calendar year 2028, the compensation determined under division (A) of this section shall be increased by one and three-quarters per cent.

Payroll Cash Disbursements (Continued)

For 2021, the Township's budget, as defined by the Township's amended official certificate of estimated resources was \$3,072,286. Based on the compensation described above, the Township's fiscal officer was eligible for 2021 annual compensation of \$23,003. However, the Township's fiscal officer, Jacqueline Robinson, was compensated in a total amount of \$23,550 in 2021.

In accordance with the foregoing facts and pursuant to **Ohio Rev. Code § 117.28**, a finding for recovery for public monies illegally expended is hereby issued against Jacqueline Robinson in the amount of \$547 and in favor of Xenia Township's general fund.

Repayment was made via check on December 14, 2022, in the amount of \$547. This amount was deposited and recorded to the Township's general fund on December 18, 2022.

- b. **Ohio Rev. Code § 507.09(A)(5)** states, in part, in calendar year 2018, the township fiscal officer shall be entitled to compensation as follows: In townships having a budget of more than one million five hundred thousand but not more than three million five hundred thousand dollars, twenty-one thousand eight hundred thirty-six dollars. **Ohio Rev. Code § 507.09(B)** continues that in calendar year 2019 and in each calendar year thereafter through calendar year 2028, the compensation determined under division (A) of this section shall be increased by one and three-quarters per cent.

The Township's former fiscal officer, Sheila Seiter, whose term ended March 31, 2020, was compensated \$574 in 2021 based on a back pay calculation performed by the Township; however, the former fiscal officer was paid properly in previous years and was not due back pay.

In accordance with the foregoing facts and pursuant to **Ohio Rev. Code § 117.28**, a finding for recovery for public monies illegally expended is hereby issued against Sheila Seiter in the amount of \$574 and in favor of Xenia Township's general fund.

Repayment was made via check on January 7, 2023, in the amount of \$574. This amount was deposited and recorded to the Township's general fund on January 9, 2023.

- c. **Ohio Rev. Code § 505.24(A)(5)** states, in part, in calendar year 2018, each township trustee is entitled to compensation in an amount for each day of service in the business of the township, to be paid from the township treasury as follows: In townships having a budget of more than one million five hundred thousand but not more than three million five hundred thousand dollars, sixty-two dollars and thirty-nine cents per day for not more than two hundred days. **Ohio Rev. Code § 505.24(B)** continues that in calendar year 2019 and in each calendar year thereafter through calendar year 2028, the amounts paid as specified in division (A) of this section shall be increased by one and three-quarters per cent. **Ohio Rev. Code § 505.24(C)** states, in part, by unanimous vote, a board of township trustees may adopt a method of compensation consisting of an annual salary to be paid in equal monthly payments. The amount of the annual salary approved by the board shall be no more than the maximum amount that could be received annually by a trustee if the trustee were paid on a per diem basis as specified in this division.

Payroll Cash Disbursements (Continued)

For 2021, the Township's budget, as defined by the Township's amended official certificate of estimated resources was \$3,072,286. Based on the compensation described above, the Township's trustees were eligible for 2021 annual compensation of \$12,478 if appointed or elected prior to December 27, 2018 and \$13,144 if appointed or elected after December 27, 2018. Trustee Scott Miller was elected prior to December 27, 2018, but was compensated in a total amount of \$14,199, resulting in an overpayment of \$1,721. Trustee Stephen Combs was appointed after December 27, 2018, but was compensated in a total amount of \$13,759. However, Stephen Combs was also underpaid in 2020 by an amount of \$520, resulting in a net overpayment amount of \$95 in 2021.

In accordance with the foregoing facts and pursuant to **Ohio Rev. Code § 117.28**, a finding for recovery for public monies illegally expended is hereby issued against Scott Miller in the amount of \$1,721 and against Stephen Combs in the amount of \$95 and in favor of Xenia Township's general fund.

Repayment was made via checks on December 16, 2022 and December 13, 2022, respectively, in the total amount of \$1,816. This amount was deposited and recorded to the Township's general fund on December 18, 2022.

- d. **Ohio Rev. Code § 505.24(A)(5)** states, in part, in calendar year 2018, each township trustee is entitled to compensation in an amount for each day of service in the business of the township, to be paid from the township treasury as follows: In townships having a budget of more than one million five hundred thousand but not more than three million five hundred thousand dollars, sixty-two dollars and thirty-nine cents per day for not more than two hundred days. **Ohio Rev. Code § 505.24(B)** continues that in calendar year 2019 and in each calendar year thereafter through calendar year 2028, the amounts paid as specified in division (A) of this section shall be increased by one and three-quarters per cent. **Ohio Rev. Code § 505.24(C)** states, in part, by unanimous vote, a board of township trustees may adopt a method of compensation consisting of an annual salary to be paid in equal monthly payments. The amount of the annual salary approved by the board shall be no more than the maximum amount that could be received annually by a trustee if the trustee were paid on a per diem basis as specified in this division.

For 2021, the Township's budget, as defined by the Township's amended official certificate of estimated resources was \$3,072,286. Based on the compensation described above, the Township's trustees were eligible for 2021 annual compensation of \$12,478 if appointed or elected prior to December 27, 2018. Trustee Susan Spradlin was elected prior to December 27, 2018, but was compensated in a total amount of \$14,199, resulting in an overpayment of \$1,721.

In accordance with the foregoing facts and pursuant to **Ohio Rev. Code § 117.28**, a finding for recovery for public monies illegally expended is hereby issued against Susan Spradlin in the amount of \$1,721 and in favor of Xenia Township's general fund. Susan Spradlin's bonding company was Ohio Plan Risk Management, Inc.

Under Ohio law, any public official who either authorizes an illegal expenditure of public funds or supervises the accounts of a public office from which such illegal expenditure was made is strictly liable for the amount of the expenditure. *Seward v. National Surety Corp.*, 120 Ohio St. 47 (1929); 1980 Op. Att'y Gen. No. 80- 074; Ohio Rev. Code Section 9.39; *State ex rel. Village of Linndale v. Masten*, 18 Ohio St. 3d 228 (1985). Public officials controlling public funds or property are liable for the loss incurred should such funds or property be fraudulently obtained by another, converted, misappropriated, lost or stolen.

Payroll Cash Disbursements (Continued)

Public officials will be liable if and to the extent that recovery or restitution is not obtained from the persons who unlawfully obtained such funds or property, 1980 Op. Att'y Gen. No. 80-074.

Jacqueline Robinson, Fiscal Officer, supervised the accounts from which the improper payment was made. Accordingly, a finding for recovery is hereby jointly and severally issued against Jacqueline Robinson in the amount of \$1,721 and in favor of Xenia Township's general fund. Jacqueline Robinson's bonding company is Western Surety Company.

4. 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 officials were reimbursed for out-of-pocket insurance premiums. No such reimbursements occurred.

Non-Payroll Cash Disbursements

We selected 10 disbursements from the Payment Register Detail Report for the year ended December 31, 2021 and 10 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 § 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the general fund, ARP coronavirus relief fund, and 2019 tornado-FEMA grant fund for the year ended 2021 and general fund, fire district fund, and 2019 tornado-FEMA grant fund for the year ended 2020 as recorded in the Appropriation Status Report. Expenditures did not exceed appropriations.
2. We inspected the 2021 and 2020 Revenue Status Reports and Appropriation Status Reports for transfers and compliance with Ohio Rev. Code §§ 5705.14 - .16. We found no evidence of transfers these Sections prohibit, or for which Ohio Rev. Code § 5705.16 would require approval by the Tax Commissioner.
3. We inspected the Cash Summary by Fund Report for the years ended December 31, 2021 and 2020 for negative cash fund balances. Ohio Rev. Code § 5705.10 (l) 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 balance.

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, 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 five public records requests from the engagement period and inspected each request to determine the following:
 - a. The Township was compliant and responded to the request in accordance with their adopted policy as required by Ohio Rev. Code § 149.43(B)(1). We found no exceptions.
 - b. The Township did not have any denied public records requests during the engagement period.
 - c. The Township did not have any public records requests with redactions during the engagement period.
3. We inquired with Township management and determined that the Township did not have a records retention schedule during the engagement period and therefore could not make it readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). **Ohio Rev. Code § 149.43(B)(2)** states, in part, a public office also shall have available a copy of its current records retention schedule at a location readily available to the public.

The Township has not formally adopted a records retention schedule.

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 not included as required by Ohio Rev. Code § 149.43(E)(2). **Ohio Rev. Code § 149.43(E)(2)** states, in part, 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 Township's policy manual did not include the Township's public records policy.

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 found no exceptions.
7. We selected the only application submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. We inspected the approval by the Records Commission for the application and the review of the schedules. This was required by Ohio Rev. Code. We found no exceptions.

Sunshine Law Compliance (Continued)

8. We inspected individual proof of attendance and determined whether each elected official in accordance with Ohio Rev. Code § 149.43(E)(1) (or his/her designee) successfully attended a certified three-hour Public Records Training for each term of office as required by Ohio Rev. Code § 109.43(B). **Ohio Rev. Code § 109.43(B)** states the attorney general shall develop, provide, and certify training programs and seminars for all elected officials or their appropriate designees, and for all future officials who choose to satisfy the training requirement before taking office, in order to enhance the officials' knowledge of the duty to provide access to public records as required by section 149.43 of the Revised Code and to enhance their knowledge of the open meetings laws set forth in section 121.22 of the Revised Code. The training shall be three hours for every term of office for which the elected official or future official was appointed or elected to the public office involved. The training shall provide elected officials or their appropriate designees and future officials with guidance in developing and updating their offices' policies as required under section 149.43 of the Revised Code. The successful completion by an elected official, by an elected official's appropriate designee, or by a future official of the training requirements established by the attorney general under this section shall satisfy the education requirements imposed under division (E) of section 149.43 of the Revised Code.

During the period, a fiscal officer's term ended March 31, 2020 and two trustees' terms ended December 31, 2021. However, there was no indication that these officials, or their designee, had attended public records training during the term.

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 found 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 found 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 § 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

HB 481 / HB 614 Coronavirus Relief Fund (CRF) Compliance

1. We inquired of management and those charged with governance and documented how the Township decided to spend their CRF allocations and how the Township documented their compliance with the CARES Act three-prong test. We then selected five transactions including payroll and non-payroll transactions and determined the Township:
 - a. Spent the CRF money (including additional distributions or redistributions) in accordance with use of funds requirements and
 - b. Maintained appropriate supporting documentation.We found no exceptions.

HB 481 / HB 614 Coronavirus Relief Fund (CRF) Compliance (Continued)

2. We inquired with management and inspected the Appropriation Ledgers Reports to determine the local government did not have an unencumbered balance of money to pay back to the county treasurer. We found no exceptions.

Other Compliance

1. Ohio Rev. Code § 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, within the allotted timeframe for the year ended December 31, 2020 in the Hinkle System. The 2021 annual report was filed on March 4, 2022, which was not within the allotted timeframe. The 2021 annual report was due March 1, 2022.
2. We inquired of the fiscal officer and inspected the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html>) to determine whether the fiscal officer obtained the training required by Ohio Rev. Code §§ 507.12 and 733.81. Both fiscal officers obtained the required training.

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 the 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 engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Township's receipts, disbursements, balances and compliance with 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.



Keith Faber
Auditor of State
Columbus, Ohio

December 22, 2022

OHIO AUDITOR OF STATE KEITH FABER



XENIA TOWNSHIP

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 2/2/2023

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