



OHIO AUDITOR OF STATE
KEITH FABER



**UNION TOWNSHIP
PIKE COUNTY
DECEMBER 31, 2021, 2020 AND 2019**

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OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215
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REPORT ON THE FINANCIAL STATEMENTS, INTERNAL CONTROL, AND COMPLIANCE

Union Township
Pike County
151 Adams Road
Beaver, Ohio 45613

To the Board of Trustees:

We have selectively tested certain accounts, financial records, reports and other documentation of the Union Township, Pike County, (the Township), as of and for the years ended December 31, 2021, 2020 and 2019. These procedures were designed to satisfy the audit requirements of Ohio Rev. Code § 117.11, and Ohio Admin. Code 117-4-02. Our engagement was not designed as a basis to opine on the accompanying financial statements, internal control over financial reporting, or compliance. We therefore express no opinions on these matters.

Internal Control Over Financial Reporting

Certain of the aforementioned tests relate to internal control over financial reporting. The results of those tests may allow us to identify internal control deficiencies. An internal control deficiency exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements, whether caused by error or fraud.

Our internal control tests were not designed to identify all internal control deficiencies that might exist. Therefore, unidentified weaknesses may exist. However, we consider findings 2021-001 through 2021-013 reported in the Schedule of Findings to be internal control deficiencies management and those charged with governance should address.

Compliance and Other Matters

We also tested compliance with certain provisions of laws, regulations, contracts, and grant agreements, applicable to the Township, noncompliance with which could directly and materially affect the determination of financial statement amounts. The results of our tests disclosed instances of noncompliance we believe could directly and materially affect the determination of financial statement amounts that we reported in the Schedule of Findings as items 2021-011 through 2021-031.

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

Keith Faber
Auditor of State
Columbus, Ohio
October 22, 2024

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Union Township

Pike County, Ohio

*Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)*

All Governmental Fund Types

For the Year Ended December 31, 2021

	General	Special Revenue	Combined Total
Cash Receipts			
Property and Other Local Taxes	\$10,136	\$11,643	\$21,779
Intergovernmental	14,598	145,029	159,627
Earnings on Investments	239	241	480
	<hr/>	<hr/>	<hr/>
<i>Total Cash Receipts</i>	<i>24,973</i>	<i>156,913</i>	<i>181,886</i>
	<hr/>	<hr/>	<hr/>
Cash Disbursements			
Current:			
General Government	53,971	2,806	56,777
Public Safety		22,160	22,160
Public Works		8,571	8,571
Capital Outlay	0	9,346	9,346
	<hr/>	<hr/>	<hr/>
<i>Total Cash Disbursements</i>	<i>53,971</i>	<i>42,883</i>	<i>96,854</i>
	<hr/>	<hr/>	<hr/>
<i>Net Change in Fund Cash Balances</i>	<i>(28,998)</i>	<i>114,030</i>	<i>85,032</i>
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, January 1</i>	<i>65,338</i>	<i>308,264</i>	<i>373,602</i>
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, December 31</i>	<i>\$36,340</i>	<i>\$422,294</i>	<i>\$458,634</i>
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See accompanying notes to the basic financial statements

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Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Union Township, Pike County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Beaver Village and Stockdale Fire Departments to provide fire services.

Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations

The Township participates in OTARMA, Ohio Township Association Risk Management Authority, which is an insurance risk sharing pool available to Ohio Townships. Note 7 to the financial statements provides additional information for this entity.

The Township’s management believes these financial statements present all activities for which the Township is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township’s financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are all organized on a fund type basis.

Fund Accounting

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Fund:

Cemetery Fund This fund receives property tax money to provide for maintenance of the Township cemeteries.

Coronavirus Relief Fund The coronavirus relief fund accounts for and reports funds received due to the COVID-19 pandemic.

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2020 budgetary activity appears in Note 4.

Deposits

The Township maintains a cash deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The Township had no investments at December 31, 2021.

Capital Assets

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2021

includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Compliance

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Cemetery and Coronavirus Relief funds by \$217 and \$37,121, respectively for the year ended December 31, 2021. Also contrary to Ohio law, appropriations exceeded estimated resources at December 31, 2021, in the General and Gasoline Tax funds in the amount of \$1,875 and \$32,109, respectively.

Note 4 – Budgetary Activity

Budgetary activity for the year ending December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$26,639	\$24,973	(\$1,666)
Special Revenue	114,650	156,913	42,263
Total	\$141,289	\$181,886	\$40,597

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2021

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$58,043	\$53,971	\$4,072
Special Revenue	257,550	42,883	214,667
Total	\$315,593	\$96,854	\$218,739

Note 5 – Deposits

To improve cash management, cash received by the Township is pooled. Monies for all fund are maintained in this pool. The Ohio Revised Code prescribes allowable deposits. A summary of the Township’s deposit are as follows:

	2021
Cash Management Pool:	
Demand deposits	\$458,634
<i>Total carrying amount of deposits held in the Pool (ties to FS)</i>	\$458,634

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2020, the Township is holding \$9,278 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

Note 6 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Township.

Note 7 – Risk Management

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township’s policy. The Pool covers the following

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2021

risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2021</u>
Cash and investments	\$34,880,599
Actuarial liabilities	\$10,601,444

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2021.

Note 9– Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2021, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2021, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 10 – Related Party Transactions

Two Township Trustees are related to contract employees that the Township employs during the year. The Township paid \$215 to said employees and the Trustees did not abstain from approving these disbursements.

Note 11 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were zero.

The fund balance of special revenue funds is either restricted or committed. These restricted and committed amounts in the special revenue funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Union Township

Pike County, Ohio

Combined Statement of Receipts, Disbursements

and Changes in Fund Balances (Regulatory Cash Basis)

All Governmental Fund Types

For the Year Ended December 31, 2020

	General	Special Revenue	Combined Total
Cash Receipts			
Property and Other Local Taxes	\$23,302	\$25,351	\$48,653
Intergovernmental	22,812	203,435	226,247
Unclassified	1,051		1,051
Earnings on Investments	238	317	555
Miscellaneous	2,268	817	3,085
	<hr/>	<hr/>	<hr/>
<i>Total Cash Receipts</i>	49,671	229,920	279,591
	<hr/>	<hr/>	<hr/>
Cash Disbursements			
Current:			
General Government	46,637	12,239	58,876
Public Safety		35,757	35,757
Public Works		18,784	18,784
Capital Outlay	213	42,801	43,014
	<hr/>	<hr/>	<hr/>
<i>Total Cash Disbursements</i>	46,850	109,581	156,431
	<hr/>	<hr/>	<hr/>
<i>Net Change in Fund Cash Balances</i>	2,821	120,339	123,160
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, January 1</i>	62,517	187,925	250,442
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, December 31</i>	\$65,338	\$308,264	\$373,602
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to the basic financial statements

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Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Union Township, Pike County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Beaver Village and Stockdale Fire Departments to provide fire services.

Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations

The Township participates in OTARMA, Ohio Township Association Risk Management Authority, which is an insurance risk sharing pool available to Ohio Townships. Note 6 to the financial statements provides additional information for this entity.

The Township’s management believes these financial statements present all activities for which the Township is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township’s financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are all organized on a fund type basis.

Fund Accounting

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Fund:

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Coronavirus Relief Fund The coronavirus relief fund accounts for and reports funds received due to the COVID-19 pandemic.

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2020 budgetary activity appears in Note 3.

Deposits

The Township maintains a cash deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The Township had no investments at December 31, 2020.

Capital Assets

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2020

includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2020 follows:

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$26,639	\$49,671	\$23,032
Special Revenue	114,650	229,920	115,270
Total	\$141,289	\$279,591	\$138,302

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$59,975	\$46,850	\$13,125
Special Revenue	262,000	109,581	152,419
Total	\$321,975	\$156,431	\$165,544

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 4 – Deposits

To improve cash management, cash received by the Township is pooled. Monies for all fund are maintained in this pool. The Ohio Revised Code prescribes allowable deposits. A summary of the Township’s deposit are as follows:

	2020
Cash Management Pool:	
Demand deposits	\$373,602
<i>Total carrying amount of deposits held in the Pool (ties to FS)</i>	\$373,602

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2020, the Township is holding \$7,053 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

Note 5 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Township.

Note 6 – Risk Management

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township’s policy. The Pool covers the following risks:

- General liability and casualty
- Public official’s liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2020

- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2020</u>
Cash and investments	\$36,348,066
Actuarial liabilities	\$ 10,894,146

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2020.

Note 8– Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2020, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2020, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 9 – Related Party Transactions

A Township Trustee is related to a contract employee that the Township employs during the year. The Township paid \$146 to said employees and the Trustees did not abstain from approving these disbursements.

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 10 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were zero.

The fund balance of special revenue funds is either restricted or committed. These restricted and committed amounts in the special revenue funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Union Township

Pike County, Ohio

*Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)*

All Governmental Fund Types

For the Year Ended December 31, 2019

	General	Special Revenue	Combined Total
Cash Receipts			
Property and Other Local Taxes	\$22,607	\$25,479	\$48,086
Intergovernmental	21,175	92,343	113,518
Earnings on Investments	279	351	630
Miscellaneous	1,330		1,330
	<hr/>	<hr/>	<hr/>
<i>Total Cash Receipts</i>	45,391	118,173	163,564
	<hr/>	<hr/>	<hr/>
Cash Disbursements			
Current:			
General Government	44,684	9,373	54,057
Public Safety		14,492	14,492
Public Works		18,159	18,159
Capital Outlay	0	47,407	47,407
	<hr/>	<hr/>	<hr/>
<i>Total Cash Disbursements</i>	44,684	89,431	134,115
	<hr/>	<hr/>	<hr/>
<i>Net Change in Fund Cash Balances</i>	707	28,742	29,449
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, January 1</i>	61,810	159,183	220,993
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, December 31</i>	\$62,517	\$187,925	\$250,442
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to the basic financial statements

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Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Union Township, Pike County, (the Township) as a body corporate and politic. A publicly elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Beaver Village and Stockdale Fire Departments to provide fire services.

Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations

The Township participates in OTARMA, Ohio Township Association Risk Management Authority, which is an insurance risk sharing pool available to Ohio Townships. Note 7 to the financial statements provides additional information for this entity.

The Township’s management believes these financial statements present all activities for which the Township is financially accountable.

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The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Fund:

Gas Tax Fund The gas tax fund accounts for and reports that portion of the State gasoline tax restricted for maintenance and repair of roads within the Township.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2019

liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2019 budgetary activity appears in Note 4.

Deposits

The Township maintains a cash deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The Township had no investments at December 31, 2019.

Capital Assets

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonspendable portion of the corpus in permanent funds.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Committed Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Compliance

Contrary to Ohio law, appropriations exceeded estimated resources in the General and Gasoline Tax funds by \$8,464 and \$41,383, respectively for the year ended December 31, 2019.

Note 4 – Budgetary Activity

Budgetary activity for the year ending December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$26,693	\$45,391	\$18,698
Special Revenue	114,650	118,173	3,523
Total	\$141,343	\$163,564	\$22,221

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$58,943	\$44,684	\$14,259
Special Revenue	255,530	89,431	166,099
Total	\$314,473	\$134,115	\$180,358

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 5 – Deposits

To improve cash management, cash received by the Township is pooled. Monies for all fund are maintained in this pool. The Ohio Revised Code prescribes allowable deposits. A summary of the Township’s deposit are as follows:

	2019
Cash Management Pool:	
Demand deposits	\$250,442
<i>Total carrying amount of deposits held in the Pool (ties to FS)</i>	\$250,442

The Township does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2019, the Township is holding \$4,828 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Township.

At December 31, 2019, \$18,825 of deposits were not insured or collateralized, contrary to Ohio law.

Note 6 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the Township.

Note 7 – Risk Management

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township’s policy. The Pool covers the following risks:

- General liability and casualty
- Public official’s liability
- Cyber
- Law enforcement liability

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2019

- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

2019

Cash and investments	\$35,207,320
Actuarial liabilities	\$ 10,519,942

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Township contributed an amount equaling 14 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2019.

Note 9 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2019, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2019, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 10 – Related Party Transactions

A Township Trustee is related to an employee that the Township employs during the year. The Township paid \$4,073 to said employees and the Trustee did not abstain from approving these disbursements.

Union Township
Pike County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 11 – Fund Balances

Included in fund balance are amounts the Township cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were zero.

The fund balance of special revenue funds is either restricted or committed. These restricted and committed amounts in the special revenue funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**UNION TOWNSHIP
PIKE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2021, 2022 AND 2019**

FINDING NUMBER 2021-001

Internal Control Deficiency

Segregation of Duties / Management Oversight

All public officials are responsible for the design and operation of a system of internal control that is adequate to provide reasonable assurance regarding the achievement of objectives for their respective public offices in certain categories.

When designing the public office's system of internal control and the specific control activities, management should plan for adequate segregation of duties or compensating controls.

The size of the Township's staff did not allow for an adequate segregation of duties; the Township Fiscal Officer performed all accounting functions, including receipting, depositing, and disbursing. It is therefore important that the Board of Trustees monitor financial activity closely.

Due to deficiencies in the Township's monitoring and review process, the following conditions were noted:

- There was no evidence of bank reconciliations being reviewed and approved by the Board of Trustees.
- There was no evidence of the Board of Trustees monitoring receipts received by the Township.
- There was no evidence of the Board of Trustees monitoring nonpayroll disbursement classifications.
- The Board of Trustees did not review and approval final payroll reports, which would agree hours paid to time sheets and determine if employees were paid from appropriate funds.
- Budget vs actual financial reports were not monitored by the Board of Trustees.
- There was no evidence of the Board of Trustees reviewing and approving draft financial statements and footnote disclosures.

The Fiscal Officer should maintain a record of budget and actual information in a format easily reviewable by the Board of Trustees. The Board of Trustees should review detailed financial reports, budget versus actual information, and bank reconciliations on a monthly basis. The Board of Trustees should also review draft financial statements and footnote disclosures before filing in the Hinkle System. This should be documented in the minute record and/or initialed and dated as reviewed. The Board of Trustees should also make appropriate inquiries to help determine the continued integrity of financial information. Appropriate inquiries would include:

- Are current receipts sufficient to cover expenditures?
- Are receipts and expenditures in line with prior years?
- If unusual fluctuations in receipts or expenditures occur, is the reason understood?
- Are anticipated receipts being received in a timely manner?

The information obtained as a result of such reviews and inquiries will provide important data necessary to properly manage the Township.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-002

Internal Control Deficiency

Timely Recording

Accurate and timely accounting and reconciliation procedures are key components of an effective accounting system and internal controls required to enable the Township to properly classify transactions, maintain accountability for funds, distribute funds accurately, and detect fraud and errors in a timely manner. We noted the following deficiencies in the timely accounting of Township funds:

Due to deficiencies in the Township's monitoring and review process, the following conditions were noted:

- 2021 transactions were not posted to the accounting system until 2022.
- Five 2021 receipts were not posted to the accounting system.
- Thirteen 2021 disbursements were not posted to the accounting system.
- 2019 transactions were not posted to the accounting system until 2022.
- Three 2019 receipts were not posted to the accounting system.
- 2020 transactions were not posted to the accounting system until 2022.
- Eight 2020 receipts were not posted to the accounting system.
- Nine 2020 disbursements were not posted to the accounting system.

Lack of complete and timely accounting of Township transactions may allow for accounting errors, theft and fraud to occur without timely detection.

The Township should deposit timely and ensure that all receipts and disbursements are recorded in the period in which they are received.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-003

Internal Control Deficiency

Disaster Recovery Plan

The Township did not have a Disaster Recovery Plan in place to ensure minimal disruption to services, such as data processing capabilities, should a disaster occur.

A Disaster Recovery Plan should be developed, documented, tested and maintained. This plan should identify arrangements for contingency data processing on compatible hardware and software; key individuals to be contacted and their role in the recovery; and the location of backup data and source documents. Several copies of this plan should be kept off-site in the event that the on-site copies are destroyed during a disaster. In addition, the plan should be updated and tested periodically to ensure that it is current.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-004

Internal Control Deficiency

Disbursement Controls

All public officials are responsible for the design and operation of a system of internal control that is adequate to provide reasonable assurance to safeguard public funds.

Weaknesses noted in the internal controls over disbursements are as follows:

- Voucher sheets were not attached to invoices.
- During 2021, checks were not issued in sequential order, for payroll disbursements, for five out of eleven (45%) months

Failure to design and implement sufficient controls over the disbursements of public funds increases the risk that loss or misappropriation of funds could occur and not be detected in a reasonable time period.

To improve controls over disbursements, the Fiscal Officer should:

- Prepare vouchers, which should be attached to each bill, to be signed by Board members as documentation that the bill has been reviewed and approved for payment.
- Review invoices for accuracy prior to payment.
- Perform a reconciliation of payments timely and review of outstanding checks monthly.
- Issue checks in sequential order.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-005

Internal Control Deficiency

Policies and Procedures

Most governmental entities have the authority to provide equipment and vehicles for use by authorized employees. The use of these items should be specified in a policy adopted by government's legislative body. These policies should, at a minimum, identify authorized users, guidelines for allowable use, method of reimbursement (if personal use is allowed), specific unallowable uses, reporting, monitoring of use by appropriate levels of management, and other guidelines the legislative body deems appropriate.

Ohio Rev. Code §1347 contains legal requirements related to personal information systems which are applicable to all state and local agencies and defines the terms and uses of this information. State and local government agencies are entrusted with the duty of collecting sensitive and private information, and processes and procedures should be in place to safeguard the personal data citizens entrust to them. The Township does not have a formal policy implemented which informs employees of the policies and procedures related to equipment and vehicle usage. The Township also does not have a formal policy implemented over the storage, use, and distribution of personal information. Without internally documented policies and procedures over vehicle and equipment usage, the Township increases the risk that usage of these items may be for unallowable purposes. Without policies over the storage, use, and distribution of personal information, the public and Township employees are unaware of the Township's responsibilities in this area.

**FINDING NUMBER 2021-005
(Continued)**

Ohio Rev. Code §9.03 states that no governing body of a political subdivision shall use public funds to publish, distribute, or communicate information that supports or opposes the nomination or election of a candidate for public office, the investigation, prosecution, or recall of a public official, or the passage of a levy or bond issue. In addition, no public funds shall be used to compensate any employee of the political subdivision for time spent on any activity to influence the outcome of an election for any of the purposes described above. However, public funds may be used to publish information about the political subdivision's finances, activities, and governmental actions in a manner that is not designed to influence the outcome of an election or the passage of a levy or bond issue. Public funds may also be used to compensate an employee for attending a public meeting to present such information in such a manner even though the election, levy, or bond issue is discussed or debated at the meeting. Ohio Rev. Code §124.61 prohibits the abuse of political influence. Public officials (or potential public officials) shall not use or promise to use, any official authority or influence in order to secure or aid any person in securing any office or employment in the classified service, or any promotion or increase of salary therein, as a reward for political influence or service. The Township does not have a formal policy in regards to the political involvement of the Township elected officials and employees.

Lack of formal established policies and procedures could result in misappropriation of Township assets.

The Township should develop and implement internal documented policies and procedures for vehicle and equipment usage. The use of these items should be specified in a policy established by the government's legislative body. These policies should, at a minimum, identify authorized users; guidelines for allowable use/ purchases; method of reimbursement (if personal use is allowed); specific unallowable uses; reporting; monitoring of use by appropriate levels of management; and other guidelines deemed appropriate by the legislative body.

The Township should also implement a policy over the storage, use, and distribution of personal information.

Additionally, the Township should implement a policy in regards to political involvement of the Township elected officials and employees.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-006

Internal Control Deficiency

Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Due to deficiencies in the Township's financial statement monitoring and review process, the following conditions were noted in relation to the 2021 Reporting:

**FINDING NUMBER 2021-006
(Continued)**

General Fund:

- Fund Balance was overstated by \$163,876 due to Township not recording receipts and disbursements in the accounting system; incorrect allocation of officials' compensation; and voided checks that were incorrectly recorded as outstanding checks.
- Intergovernmental revenue was understated by \$12,989 due to Township not recording receipts in the accounting system.
- Tax revenue was understated by \$9,997 due to Township not recording receipts in the accounting system.
- General governmental disbursements were understated by \$33,109 due to Township not recording disbursements to the accounting system; incorrect allocation of officials' compensation; and voided checks that were incorrectly recorded as outstanding checks.

Motor Vehicle License Tax Fund:

- Fund Balance and Intergovernmental Revenue were understated by \$2,472 due to the Township not recording receipts in the accounting system.

Gasoline Tax Fund:

- Fund Balance was understated by \$79,655 due to the Township not recording receipts in the accounting system and incorrect allocation of officials' compensation.
- Intergovernmental Revenue was understated by \$59,774 due to the Township not recording receipts in the accounting system.
- General government disbursements were overstated by \$19,891 due to the incorrect allocation of officials' compensation.

Cemetery Fund:

- Fund Balance was understated by \$6,549 due to the Township not recording receipts in the accounting system and incorrectly recording property taxes at net instead of gross.
- Intergovernmental revenue was understated by \$1,098 due to the Township not recording receipts in the accounting system.
- Tax revenue was understated by \$5,669 due to the Township not recording receipts in the accounting system and incorrectly recording property taxes at net instead of gross.
- General government disbursements were understated by \$218 due to incorrectly recording property taxes at net instead of gross.

Fire Fund:

- Fund Balance was understated by \$7,286 due to the Township not recording receipts in the accounting system and incorrectly recording property taxes at net instead of gross.
- Intergovernmental revenue was understated by \$1,665 due to the Township not recording receipts in the accounting system.
- Tax revenue was understated by \$5,853 due to the Township not recording receipts in the accounting system and incorrectly recording property taxes at net instead of gross.
- General government disbursements were understated by \$232 due to incorrectly recording property taxes at net instead of gross.

**FINDING NUMBER 2021-006
(Continued)**

Coronavirus Relief Fund:

- Fund Balance and Intergovernmental Revenue were understated by \$67,145 due to the Township not recording receipts in the accounting system

Due to deficiencies in the Township's financial statement monitoring and review process, the following conditions were noted in relation to the 2020 Reporting:

General Fund:

- Fund Balance was overstated by \$51,868 due to the Township not recording receipts and disbursements to the accounting system.
- Intergovernmental revenue was understated by \$8,984 due to the Township not recording receipts to the accounting system.
- Property tax revenue was understated by \$2,629 due to the Township not recording receipts to the accounting system.
- Miscellaneous revenue was understated by \$1,268 due to the Township not recording receipts to the accounting system and the incorrect recording of a vendor refund.
- Capital outlay disbursements were overstated by \$2,017 due to incorrect classification of audit costs.
- General governmental disbursements were understated by \$23,776 due to the Township not recording property tax at gross; incorrect allocation of officials' compensation; not recording disbursements to the accounting system and incorrect classification of audit costs.

Motor Vehicle License Tax Fund:

- Fund Balance and Intergovernmental Revenue were understated by \$1,364 due to the Township not recording receipts to the accounting system.

Gasoline Tax Fund:

- Fund Balance was understated by \$48,940 due to the incorrect allocation of officials' compensation and the Township not recording receipts to the accounting system.
- Intergovernmental Revenue was understated by \$36,024 due to the Township not recording receipts to the accounting system.
- Miscellaneous revenue was understated by \$817 due to incorrect recording of a vendor refund.
- General government disbursements were overstated by \$12,099 due to incorrect allocation of officials' compensation.

Cemetery Fund:

- Fund Balance was understated by \$1,376 due to the Township not recording receipts in the accounting system and incorrectly recording property taxes at net instead of gross.
- Intergovernmental revenue was understated by \$1,130 due to the Township not recording receipts in the accounting system.
- Tax revenue was understated by \$280 due to the Township not recording receipts in the accounting system and incorrectly recording property taxes at net instead of gross.
- General government disbursements were understated by \$34 due to incorrectly recording property taxes at net instead of gross.

FINDING NUMBER 2021-006
(Continued)

Fire Fund:

- Fund Balance was understated by \$1,920 due to the Township not recording receipts in the accounting system and incorrectly recording property taxes at net instead of gross.
- Intergovernmental revenue was understated by \$1,696 due to the Township not recording receipts in the accounting system.
- Tax revenue was understated by \$257 due to the Township not recording receipts in the accounting system and incorrectly recording property taxes at net instead of gross.
- General governmental disbursements were understated by \$33 due to incorrectly recording property taxes at net instead of gross.

Coronavirus Relief Fund:

- Other financing sources was overstated and intergovernmental revenue was understated by \$72,816 due to the incorrect recording of grant receipts.

Due to deficiencies in the Township's financial statement monitoring and review process, the following conditions were noted in relation to the 2019 Reporting:

General Fund:

- Fund Balance was overstated by \$20,469 due to the Township not recording receipts and disbursements to the accounting system.
- Intergovernmental revenue was understated by \$3,982 due to the Township not recording receipts to the accounting system.
- General government disbursements were overstated by \$17,677 due to Township not recording expenditures to the accounting system and the incorrect allocation of officials compensation.

Gasoline Tax Fund:

- Fund Balance was understated by \$19,052 due to the incorrect allocation of officials' compensation.
- General government disbursements were overstated by \$18,235 due to incorrect allocation of officials' compensation.
- Public works disbursements were overstated by \$817 due to incorrectly recording a voided check.

Cemetery Fund:

- Fund Balance and Intergovernmental Revenue were understated by \$1,115 due to the Township not recording receipts to the accounting system.

Fire Fund:

- Fund Balance and Intergovernmental Revenue were understated by \$1,677 due to the Township not recording receipts to the accounting system.

The Township corrected the financial statements and their accounting system, where applicable, for all identified errors

The Township made additional errors in classifying receipt and disbursement transaction line items in various funds in the Statement of Receipts, Disbursements, and Changes in Fund Balances in amounts ranging from \$229 to \$424 in 2019, amounts ranging from \$130 to \$481 in 2020, and \$139 in 2021. The Township did not correct the financial statements for these errors.

**FINDING NUMBER 2021-006
(Continued)**

Failure to accurately post and report transactions could result in material errors in the Township's financial statements and reduces the Township's ability to monitor financial activity and to make sound decisions which affect the overall available cash position of the Township.

The Township should review and implement internal controls to ensure financial transactions are accurately recorded and reported. The Township should also review the Auditor of State Ohio Township Handbook at <http://www.ohioauditor.gov/publications/TownshipHandbook%202-27-19.pdf> and Auditor of State Bulletin 2011-004.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-007

Internal Control Deficiency

Cash Reconciliation

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 of Trustees are responsible for reviewing the reconciliations and related support.

- The Township's year end reconciliation reported other adjusting factors in the amount of \$196,565 in 2021, \$42,810 in 2020, and \$6,799 in 2019 due to receipts and expenditures that were found in the bank account but not recorded in the accounting system.
- The Township had \$3,181 in 2021, \$3,078 in 2020 and \$2,808 in 2019 of outstanding checks included in the reconciliation that were reissued or should have been voided that should not have been included in the outstanding check listing.
- The December 31, 2021 and the December 31, 2022 reconciliations were not performed until May 24, 2022.
- The December 31, 2019 reconciliation was not performed until March 24, 2022.

The Township corrected the accounting system for these errors.

Failure to reconcile monthly increases the possibility that the Township 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.

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 of Trustees should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews.

**FINDING NUMBER 2021-007
(Continued)**

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-008

Internal Control Deficiency

Check Images

Auditor of State (AOS) Bulletin 2004-010 states an auditor can regard electronic imaging of checks as evidence when performing an audit. The Bulletin provides, in part, that a bank may use the electronic image to create a "substitute check" for a bank that chooses to continue receiving paper checks. This substitute check has the same legal effect as the original paper check. A substitute check is a paper reproduction of the original check that: contains an image of the front and back of the original check; bears a magnetic ink character recognition (MICR) line containing all of the information appearing on the original check's MICR line, with certain exceptions; conforms, in paper stock, dimension, and otherwise, with generally applicable banking industry standards for substitute checks; and is as suitable for automated processing as the original check. A substitute check that meets these requirements and bears the following legend is considered to be the legal equivalent of the original paper check: "This is a legal copy of your check. You can use it in the same way you would use the original check."

For governments that do not receive their cancelled original or substitute checks, AOS suggests these governments request that their banks send images of the front and back of all issued checks. This will enable governments to review and scrutinize the transactions and ensure that the payees as well as the various endorsements are appropriate. As monthly bank statements are received, reconciliation between check numbers and the amounts paid should be conducted promptly. If questionable items are identified, governments should immediately request their bank investigate these items for possible adjustment to the government's account.

Furthermore, a government may want to request a substitute check or the best available source document from the bank (e.g., copy of the front and back of the check) when a questionable item is identified that requires investigation.

Throughout 2019, the bank provided optical imaging of the front side of each canceled check; however, the bank did not provide optical images of the reverse side of the canceled checks for the disbursements. By not having the reverse side of the check, it is not possible to ensure that the payees as well as the various endorsements are appropriate. This could result in a lack of sufficient audit evidence or could relate in a failure to follow the records retention laws. The bank did provide optical imaging of front side and back side of each canceled check for 2020 and 2021.

The Fiscal Officer should consult with the bank to have the bank provide images of both the front and reverse side of each canceled check for disbursements. As an alternative, the bank could send the original canceled checks back to the Township.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-009

Internal Control Deficiency

Budgetary Amounts Posted to Accounting System

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow the Board to make informed decisions regarding budgetary matters.

The Appropriation resolution and subsequent amendments establish the legal spending authority of the Township and the appropriation ledger provides the process by which the Township controls spending, it is therefore necessary the amounts appropriated by the Board are precisely stated and accurately posted to the appropriation ledger.

The original certificate and amendments establish the amounts available for expenditures for the Township and the receipts ledger provides the process by which the Township controls what is available, it is therefore necessary the amounts estimated by the County Budget Commission are posted accurately to the receipts ledger.

Variances between approved amounts and amounts recorded in the accounting system at December 31, 2021 were as follows:

Fund	Amended Certificate Amount	Accounting System Amount	Variance
General	\$ 56,168	\$ 56,533	\$ (365)
Motor Vehicle License Tax	18,968	10,200	8,768
Gasoline Tax	180,941	110,425	70,516
Cemetery	17,689	16,800	889
Fire	30,364	17,400	12,964
Coronavirus Relief	-	37,961	(37,961)

Fund	Appropriation Resolution Amount	Accounting System Amount	Variance
General	\$ 78,872	\$ 53,343	\$25,529
Motor Vehicle License Tax	26,777	13,500	13,277
Gasoline Tax	260,137	198,752	61,385
Cemetery	21,263	14,700	6,563
Fire	30,300	16,300	14,000

Variances between approved amounts and amounts recorded in the accounting system at December 31, 2020 were as follows:

Fund	Amended Certificate Amount	Accounting System Amount	Variance
General	\$ 69,381	\$ 53,350	\$ 16,031
Motor Vehicle License Tax	17,208	10,100	7,108
Gasoline Tax	183,051	175,800	7,251
Cemetery	18,687	17,300	1,387
Fire	30,673	20,000	10,673

**FINDING NUMBER 2021-009
(Continued)**

Fund	Appropriation Resolution Amount	Accounting System Amount	Variance
General	\$ 72,103	\$ 57,875	\$ 14,228
Motor Vehicle License Tax	23,218	14,500	8,718
Gasoline Tax	241,021	210,200	30,821
Cemetery	21,415	2,200	19,215

Variances between approved amounts and amounts recorded in the accounting system at December 31, 2019 were as follows:

Fund	Amended Certificate Amount	Accounting System Amount	Variance
General	\$ 50,479	\$ 47,850	\$ 2,629
Motor Vehicle License Tax	19,892	10,200	9,692
Gasoline Tax	170,347	172,200	(1,853)
Cemetery	21,599	15,800	5,799
Fire	30,237	20,000	10,237

Fund	Appropriation Resolution Amount	Accounting System Amount	Variance
General	\$ 58,943	\$ 57,943	\$ 1,000
Gasoline Tax	211,730	212,880	(1,150)
Fire	15,800	16,000	(200)

The Township did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The appropriations (and/or amendments thereof) approved by Board were not properly posted to the accounting system. Additionally, the approved Certificate of Estimated Resources (and/or amendments thereof) was not posted to the accounting system.

Failure to accurately post the appropriations and estimated resources to the ledgers could result in overspending and negative cash balances. In addition, this could lead to inaccurate reporting of the budgetary information in the financial statements.

To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the Township should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and appropriations approved by the Board. The Township should then monitor budget versus actual reports to help ensure amended certificates of resources and appropriations have been properly posted to the ledgers.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-010

Internal Control Deficiency

Supporting Documentation

Maintaining organized documentation and support for financial transactions is essential in assuring the Township financial statements are not materially misstated and that all expenditures are made for a proper public purpose.

The Township did not maintain underlying documentation and support for:

61 transactions of the 175 transactions tested for 2021. We were able to perform alternative procedures to determine that \$22,186 of the \$24,988 transactions with no supporting documentation was expended for a proper public purpose.

69 transactions of the 172 transactions tested for 2020. We were able to perform alternative procedures to determine that \$15,493 of the \$17,003 transactions with no supporting documentation was expended for a proper public purpose.

39 transactions of the 187 transactions tested for 2019. We were able to perform alternative procedures to determine that \$13,736 of the \$14,278 transactions with no supporting documentation was expended for a proper public purpose.

Transactions for which the Township could not provide evidence that they were for a proper public purpose resulted in findings for recovery. See Finding No. 2021-032.

Also, the Fiscal Officer did not provide support for the first checks subsequent to our audit period to be able to determine proper cutoff of transactions.

All expenditures should be supported by adequate documentation to show the amount paid was for a proper public purpose. Without proper documentation on file to support expenditures, the Township cannot provide accountability that the cost was for a proper public purpose. Expenditures deemed to not be proper public purpose could result in findings for recovery being issued.

Also, of the 34 receipts tested for 2019, we identified 3 receipts for which the Township did not obtain proper documentation. Of the 40 receipts tested for 2020, we identified 6 receipts for which the Township did not obtain proper documentation. Of the 19 receipts tested for 2021, we identified 1 receipt for which the Township did not obtain proper documentation.

All receipts should be supported by adequate documentation to show the amount received was properly deposited and accounted for.

Failure to maintain underlying documentation and support of financial transactions can increase the risk of fraud, result in financial statement misstatements, and expenditures that are not for a proper public purpose.

The Township should develop policies and procedures outlining the security of all records or take a written inventory of all records noting the records description and location. All records should be maintained in a secure central location, such as locked file cabinets or in a locked office, with access limited to specific officials and/or personnel. Disposal of records should only be made in accordance with an approved records retention schedule.

Furthermore, the Fiscal Officer should keep supporting documentation for all transactions.

**FINDING NUMBER 2021-010
(Continued)**

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-011

Noncompliance / Internal Control Deficiency

Elected Official Pay

Ohio Rev. Code § 505.24(C) sets forth the method by which township trustees' compensation should be allocated. By summary, Ohio Revised Code § 505.24(C) permits trustees to receive per diem payments or, if voted upon unanimously by the township board of trustees, annual salaries.

If using the annual salary compensation method, 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 Ohio Revised Code § 505.24(C), and shall be paid from the township general fund or from other township funds in such proportions as the board may specify by resolution. Each trustee shall certify the percentage of time spent working on matters to be paid from the township general fund and from other township funds in such proportions as the kinds of services performed.

Ohio Rev. Code §§ 505.24 and 507.09 also establish trustee and fiscal officer salaries based upon the annual budget of the township.

The Township did not pass a resolution to be paid on a salary basis in equal monthly installments.

In 2021, 2020, and 2019, the Trustee's did not complete time certifications, therefore, all gross salaries, and related employer contributions (OPERS, Medicare, and insurance reimbursements) should have been paid from the General Fund.

However, the salaries were allocated 100% to the Gasoline Tax Fund. The Trustees voted to retroactively allocate 10% to the General Fund and 90% to the Gasoline Tax Fund for 2019 and 2020. Additionally, the related employer contributions (OPERS, Medicare, and insurance reimbursements) paid did not follow the payroll allocation.

These errors resulted in misstatements to the financial statements. Management has made the following adjustments for wage and employer benefits to the accompanying financial statements and the accounting records:

- The 2021 General fund payroll expense was understated and the Gasoline Tax fund payroll expense was overstated by \$28,080.
- The 2020 General Fund Payroll Expense was understated and the Gasoline Tax Fund Payroll Expense was overstated by \$17,160.
- The 2019 General Fund Payroll Expense was understated and the Gasoline Tax Fund Payroll Expense was overstated by \$17,784.

Additionally, The Fiscal Officer and Trustees were paid at the wrong rate in 2021, 2020 and 2019, causing each elected official to be underpaid the following amounts:

**FINDING NUMBER 2021-011
 (Continued)**

Elected Official	2019 Amount Underpaid	2020 Amount Underpaid	2021 Amount Underpaid
John Moore	\$164	N/A	N/A
Jessica Dickerson	\$0	\$496	\$750
Charles Newsome Jr.	\$0	\$330	\$500

The Township should draft, approve, and implement policies and procedures to help ensure compensation and certifications are made in accordance with Ohio Rev. Code § 505.24.

If Trustees intend to be paid on a salary basis in equal monthly installments, the board of trustees should unanimously pass a resolution annually to allow it. Also, if Trustees are intended to be paid from any fund(s) other than the general fund, the resolution must also specify the proportions of the salary that are to be paid from each fund.

Furthermore, the Trustee's payroll certifications should be completed for each month in which they are to be paid from any fund(s) other than the general fund and the Fiscal Officer should allocate their payroll according to these certifications. If no certifications are provided, then 100% of the compensation of the Trustee should be paid from the general fund.

The elected officials should be paid in accordance with the above guidance.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-012

Noncompliance / Internal Control Deficiency

Maintaining Proper Accounting Records

Ohio Admin Code § 117-2-02(A) requires public offices to 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.

Ohio Admin Code §117-2-02-(C) provides, in part, that:

1. All local public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations.
2. Purchase orders should be used to approve purchase commitments and to encumber funds against the applicable appropriation account(s), as required by section 5705.41(D) of the Revised Code. Purchase orders are not effective unless the fiscal officer's certificate is attached. The certificate should be attached at the time a commitment to purchase goods or services is made.

FINDING NUMBER 2021-012
(Continued)

3. Vouchers may be used as a written order authorizing the drawing of a check or an electronic fund transfer in payment of a lawful obligation of the public office. Each voucher shall contain the date, purchase order number, the account code, amount, approval, and any other required information. The local office should also attach the supporting documentation to the voucher, such as vendor invoices.

Ohio Admin Code § 117-2-02(D) provides that all local public offices may maintain accounting records in a manual or computerized format. Such records should include:

1. Cash journal, which typically contains the following information: the amount, date, receipt number, check or an electronic fund transfer number, account code, purchase order number, and any other information necessary to properly classify the transaction.
2. Receipts ledger, which typically assembles and classifies receipts into separate accounts for each type of receipt of each fund the public office uses. The amount, date, name of payer, purpose, receipt number, and other information required for such transactions to be recorded on this ledger.
3. Appropriation ledger, which may assemble and classify disbursements or expenditure/expenses into separate accounts, for at a minimum, each account listed in the appropriation resolution. The amount, fund, date, check or electronic fund transfer number, purchase order number, encumbrance amount, unencumbered balance, amount of disbursement, uncommitted balance of appropriations and any other information required may be entered in the appropriate columns.
4. In addition, all local public offices should maintain payroll records including a payroll journal that records, assembles and classifies by pay period the name of employee, the employee's identification number, hours worked, wage rates, pay date, withholdings by type, net pay, and other compensation paid to an employee, and the fund and account charged for the payments.

The following deficiencies existed in the accounting records:

- The Township did not post receipts and expenditures for fiscal year 2019 until January, February and March of 2022.
- The Township did not post receipts and expenditures for fiscal year 2020 and 2021 until May of 2022.
- The Township maintained a manual ledger for payroll for 2019 and 2020. The payroll ledger did not contain check numbers, check dates or fund classifications.
- The 2020 manual payroll ledger did not indicate Medicare withholdings for 3 of 4 (or 75%) of the elected officials.
- The Township did not maintain a payroll ledger for 2021.
- The Township did not report Final Budgeted Revenues or Final Budgeted Expenditures in the accounting system at the proper amounts in 2019, 2020, or 2021.
- The Township did not prepare vouchers for any expenditures.
- The Township did not maintain signed, approved timesheets for employees.

Failure to properly maintain accounting records could result in inaccurate amounts being reported by the Township on their annual financial report. Also, not having complete and accurate accounting records, including budgetary information, increases the risk of spending more than is available. Officials need to have complete and accurate accounting records in order to make informed management decisions.

The Township should implement the appropriate procedures to ensure that financial records are sufficiently maintained in order to properly present financial statements in the required format. The fiscal officer should properly maintain the accounting records and reconcile the cash journal to the bank balances and to the receipts ledger and appropriation ledger monthly.

**FINDING NUMBER 2021-012
(Continued)**

Using these accounting records will provide the Township with information to monitor compliance with the budget and prepare annual reports in the format required by the Ohio Revised Code and Ohio Administrative Code.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-013

Noncompliance / Internal Control Deficiency

Minute Records

Ohio Rev. Code § 121.22(C) requires that the minutes of a regular or special meeting of any public body shall be promptly prepared, filed and maintained and open to public inspection. The minutes need only reflect the general subject matter of discussions in executive sessions.

Minutes are inadequate when they contain inaccuracies that are not corrected. *See State ex rel. Ames v. Portage Cty. Board of Commrs.*, 165 Ohio St.3d 292, 2021-Ohio-2374, ¶¶ 23.

The following were noted in review of the minutes for 2019 through 2021:

- The minutes for May, June, and July 2021 were not provided for audit.
- Prior meeting minutes were not approved 29 times during the three years reviewed.
- Roll calls to pass motions and or resolutions were not documented.
- Attachments containing bills referenced in meeting minutes were not in the minute book or provided for audit.

Failure to accurately document all Board actions may lead to inaccuracies in minute records.

The Township should maintain minute records for all meetings and ensure that the minutes are promptly recorded and open for public inspection to ensure compliance with Ohio public records laws.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-014

Noncompliance

Investment Training

Ohio Rev. Code § 135.22(B) states that to enhance the background and working knowledge of treasurers in investments, cash management, ethics, and in any other subject area that the treasurer of state determines is reasonably related to the duties of a treasurer, the treasurer of state shall provide annual continuing education programs for treasurers. A treasurer annually shall complete the continuing education programs described, unless the treasurer annually provides a notice of exemption.

**FINDING NUMBER 2021-014
(Continued)**

The Fiscal Officer did not attend the annual continuing education programs provided by the Treasurer of State or complete the annual exemption to the Auditor of State's office in fiscal years 2021, 2020, and 2019.

In order to maintain and/or enhance the working knowledge and prevent future occurrences of noncompliance, the Fiscal Officer shall attend the annual training or complete an annual exemption and submit the exemption to the Auditor of State's office.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-015

Noncompliance

Fiscal Integrity Act

Ohio Rev. Code § 507.12 (B) and (C) states a newly elected or appointed fiscal officer shall complete at least six hours of initial education programs before commencing, or during the first year of office. An additional eighteen hours of continuing education must be completed within the fiscal officer's first term. Twelve hours of training shall be completed for each subsequent term.

The Auditor of State's office has developed an on-line training database. The database includes a list of approved training, which is maintained by our training department. Fiscal Officers must register and create a personal username and password for the Auditor of State's Fiscal Integrity site for reporting purposes. Training is then reported by choosing the training courses and dates attended. Fiscal officers are required to self-report their hours, otherwise they will not receive credit for the training. Fiscal Officers can access and print their certificates via the Fiscal Integrity Act portal available at <http://www.ohioauditor.gov/fiscalintegrity/default.html>.

The Township Fiscal Officer did not complete the required hours of continuing education.

The Township Fiscal Officer should obtain required continuing education and report that training through the Fiscal Integrity Act portal.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-016

Noncompliance

OPERS Remittances

Ohio Rev. Code § 145.47(B) states that "The head of each state department, institution, board, and commission, and the fiscal officer of each local authority subject to this chapter, shall transmit to the system for each contributor subsequent to the date of coverage an amount equal to the applicable per cent of each contributor's earnable salary at such intervals and in such form as the system shall require. The head of each state department and the fiscal officer of each local authority subject to this chapter shall transmit promptly to the system a report of contributions at such intervals and in such form as the system shall require, showing thereon all the contributions and earnable salary of each contributor employed, together with warrants, checks, or electronic payments covering the total of such deductions. A penalty shall be added when such report, together with warrants, checks, or electronic payments to cover the total amount due from the earnable salary of all amenable employees of such employer, is filed thirty or more days after the last day of such reporting period. The system, after making a record of all receipts under this division, shall deposit the receipts with the treasurer of state for use as provided by this chapter".

During 2021, 2020 and 2019, we found 100% the payments submitted to OPERS did not include supporting payroll documentation. Additionally, we found that the fiscal officer did not maintain OPERS withholding remittances for these fiscal years.

The Township could incur penalties and interest due to the payments not being made for the required amounts.

The Fiscal Officer should withhold the correct amounts from payroll, and submit the required reports and contribution/withholding remittances in a timely manner to ensure compliance with applicable laws and regulations and to avoid interest and penalties.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-017

Noncompliance

State Payroll Tax Withholdings

Ohio Rev. Code § 5747.07 requires an employing government to remit taxes which it withheld pursuant to Ohio Rev. Code § 5747.06 (including the state payroll tax) to the appropriate authority. It also requires the employing government to report compensation paid and taxes withheld to the tax commissioner and to each of its own employees by January 31 of each year.

The Fiscal Officer did withhold the required state payroll taxes for 2021, 2020 and 2019; however, there is no evidence she remitted the taxes in 2021, 2020 and 2019, in the amount of \$342, \$342, and \$803, respectively, in accordance with the applicable schedule prescribed by Ohio Rev. Code § 5747.07 or submitted the annual reports to the tax commissioner. Failure to file, pay, and/or report the withholdings could result in liabilities, penalties, and interest levied against the Township.

The Fiscal Officer should remit payment in accordance with applicable law and/or file the required reports when completing the last payroll of the year to avoid interest and penalties.

This matter will be referred to the Ohio Department of Taxation.

**FINDING NUMBER 2021-017
(Continued)**

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-018

Noncompliance

Federal Payroll Withholdings

26 U.S.C. §3102 states that Medicare taxes should be deducted from employees' compensation for all employees hired after March 31, 1986. Furthermore, employers are liable for reporting and remitting these taxes.

26 U.S.C. § 3402(a)(1) states in general, except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary.

26 U.S.C. § 3403 states that the employer shall be liable for the payment of the tax required to be deducted and withheld under this chapter and shall not be liable to any person for the amount of any such payment. The Fiscal Officer did withhold the required federal income and/or medicare taxes for 2021, 2020 and 2019; however, there is no evidence she remitted the taxes in 2021, 2020 and 2019, in the amount of \$1,883, \$1,883, and \$4,268, respectively.

The Township should withhold federal income and/or Medicare from all applicable officials and employees' compensation and remit payments to the Internal Revenue Service in a timely manner.

This matter will be referred to the Internal Revenue Service

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-019

Noncompliance

Hinkle Filing

Ohio Rev. Code § 117.38(A) and (B) states, in part, that 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 Auditor of State may extend the deadline for filing a financial report and establish terms and conditions for any such extension.

The Township's December 31, 2021 and 2020 annual financial reports due by March 1, 2022 and March 1, 2021, respectively, were not filed with the Auditor of State until May 24, 2022 and did not include all required note disclosures.

FINDING NUMBER 2021-019
(Continued)

The Township's December 31, 2019 annual financial report due by March 1, 2020 was not filed with the Auditor of State until March 24, 2022 and did not include note disclosures.

The Township should implement procedures to verify its annual financial report is filed with the Auditor of State by the required deadline. If the Township is unable to meet the deadline, the Township should file an extension request through the Auditor of State. Failure to file a complete report by the established deadline, without an extension, could result in the assessment of penalties against the Township.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-020

Noncompliance

Timely Depositing

Ohio Rev. Code § 9.38 provides in part, all public monies received shall be deposited with the treasurer of the public office or designated depository on the business day next following the day of receipt, if the total amount of such monies received exceeds \$1,000. If the total amount of public moneys so received does not exceed \$1,000, the person shall deposit the moneys on the business day next following the day of receipt, unless the public office adopts a policy permitting a different time period, not to exceed three business days next following the day of receipt, for making such deposits, and the person is able to safeguard the moneys until such time as the moneys are deposited. The policy shall include provisions and procedures to safeguard the public monies until they are deposited.

To date the Township has not approved a policy to extend the time between collection and deposit beyond one business day.

The following receipts tested were not deposited with the designated depository for a period ranging from four to one hundred and sixty business days after initial receipt of the monies:

- Five out of five (100%) miscellaneous receipts tested in 2020, totaling \$4,137.
- Two out of Two (100%) miscellaneous receipts tested in 2019, totaling \$1,330.

Additionally, property tax receipts did not have sufficient documentation to allow determination of timely depositing.

Delays of this nature resulting from deficiencies in internal control procedures could cause receipts to be lost, misplaced, or stolen without being detected in a timely manner.

The Township should draft, approve, and implement or monitor the implementation of policies and procedures to help ensure timely depositing of public monies in accordance with Ohio Rev. Code § 9.38.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-021

Noncompliance

Appropriations Exceed Estimated Resources

Ohio Rev. Code § 5705.39 provides that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure there-from, as certified by the county budget commission, or in case of appeal, by the board of tax appeals. No appropriation measure shall become effective until the county auditor files with the appropriating authority a certificate that the total appropriations from each fund, taken together with all other outstanding appropriations, do not exceed such official estimate or amended official estimate. For purposes of this section of the Ohio Revised Code, estimated revenue is commonly referred to as “estimated resources” because it includes unencumbered fund balances.

At December 31, 2021 the Township's appropriations exceeded the amount certified as available by the budget commission in the General and Gasoline Tax funds by \$1,875 and \$32,109, respectively.

Additionally, at December 31, 2019 the Township's appropriations exceeded the amount certified as available by the budget commission in the General and Gasoline Tax funds by \$8,464 and \$41,383, respectively.

Failure to limit appropriations to the amount certified by the budget commission due to deficiencies in the Township's compliance monitoring policies and procedures could result in overspending and negative cash fund balances.

The Township should draft, approve, and implement procedures to compare appropriations to estimated resources and, if adequate resources are available for additional appropriations, the Township should submit an amended certificate of estimated resources to the budget commission for certification. If the resources are not available to cover the appropriations, an amendment to the appropriation resolution should be passed by the Board of Trustees to reduce the appropriations.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-022

Noncompliance

Expenditures Exceed Appropriations

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 Township's Cemetery and Coronavirus Relief Fund had expenditures in excess of appropriations of \$217 and \$37,121, respectively, as of December 31, 2021.

Additionally, due to inadequate policies and procedures in approving and reviewing budget versus actual information, the Township's Coronavirus Relief Fund had expenditures in excess of appropriations in the amount of \$840 as of December 31, 2020.

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.

**FINDING NUMBER 2021-022
(Continued)**

The Board of Trustees 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.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-023

Noncompliance

Fraud Reporting System

Ohio Rev. Code § 117.103(B)(1) states that a public office shall provide information about the Ohio fraud-reporting system and the means of reporting fraud to each new employee upon employment with the public office. Each new employee shall confirm receipt of this information within thirty days after beginning employment. Since May 4, 2012, Ohio Rev. Code § 117.103(B)(2), has also required each public office to make all its employees aware of the fraud-reporting system. Ohio Rev. Code § 117.103(B)(3) provides that a public office satisfies these notification requirements by providing information about the fraud-reporting system and means of reporting fraud in the employee handbook or manual. Employees must sign and verify receipt of the handbook or manual.

For 2021, 2020 and/or 2019, the Township neither made its current employees aware of the fraud reporting system nor made new employees confirm receipt of this information. Failure to notify employees of the fraud reporting system could lead to instances of unreported fraud.

In order to prevent unreported instances of fraud, the Township should communicate the fraud reporting system to its current employees and implement a process for informing new employees.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-024

Noncompliance

Public Records Policy

Ohio Rev. Code § 149.43(E)(2) provides that every public office must have a policy in place for responding to public records requests. Generally, a public records policy cannot: (1) limit the number of public records the office will make available to a single person; (2) limit the number of public records the office will make available during a fixed period of time; and (3) establish a fixed period of time before the office will respond to a request for inspection/copying of public records unless that period is less than eight hours. However, pursuant to Ohio Rev. Code § 149.43(B)(7)(c), the policy may limit the number of public records the public office will physically deliver by U.S. Mail or other delivery service to ten per month unless the person certifies to the office in writing that the person does not intend to use or forward the requested records, or the information contained in them, for commercial purposes. "Commercial" is narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research.

**FINDING NUMBER 2021-024
(Continued)**

Ohio Rev. Code § 149.43(E)(2) further requires all public offices take certain actions with regard to their public record policy. Public offices must distribute their Public Records Policy to the employee who is the records custodian/manager or otherwise has custody of the records of that office and have that employee acknowledge receipt of the Public Records Policy; create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy; and, if the public office has a manual or handbook of its general policies and procedures for all employees, include the public records policy in that manual or handbook.

The Township has no formal written policy that would demonstrate compliance with the Ohio Revised Code. This could result in records requests not being fulfilled in accordance with Ohio law.

The Township shall establish a public records policy. The policy shall be distributed to the records custodian/manager and the Township should have a written acknowledgement of receipt from the records custodian/manager. In addition, a poster describing the public records policy must be conspicuously displayed in all of the Township's branch offices and the public records policy must be included in policy manuals or handbooks if any exist.

Pursuant to Ohio Rev. Code § 109.43(E)(2), the Ohio Attorney General has developed and provided to all public offices a model public records policy for responding to public records requests. The policy, which is available at <https://www.ohioattorneygeneral.gov/Files/Government-Entities/Model-Public-Records-Policy.aspx>, provides guidance to public offices in developing their own policies for responding to public records requests in compliance with the Public Records Act.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-025

Noncompliance

Public Records Training

Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1) require all state and local elected officials, or their designees, to attend 3 hours of training on Ohio's Public Records Laws during each term of office. The training received must be certified by the Ohio Attorney General. Proof of completion of training must include documentation either from the Attorney General's Office or from another entity certified by the Attorney General to provide the training to the elected official or his/her designee. Attendees who successfully complete the training will receive a certificate to serve as proof of training.

Two of four (50%) of the Township's elected officials with terms ending in 2020 did not, during their term of office, attend a required Certified Public Records Training or have an appropriate designee attend a training, due to deficiencies in internal controls over public record laws training procedures and monitoring. This could result in improper education of public offices regarding the offices' duties related to public records requests as well as improper withholding of information from stakeholders.

The elected officials, or their designee(s), should, during their term of office, attend public records training and maintain proof of completion of the training.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-026

Noncompliance

Records Retention Schedule

Ohio Rev. Code 149.43(B)(2) provides that a public office also shall have available a copy of its current records retention schedule at a location readily available to the public.

Due to deficiencies in public records procedures and monitoring, the Township does not have a records retention schedule. Failure to establish a records retention schedule could result in the destruction of important Township documents.

The Township should adopt a records retention schedule.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-027

Noncompliance

CARES Act Expenditures

Pursuant to **HB No. 481, 133rd G.A., Section 27(D)**, as amended by HB No. 614, 133rd G.A., the legislative authority of a county, township, or municipal corporation adopted a resolution or ordinance affirming that the funds so received may be expended only to cover costs of the subdivision consistent with the requirements of section 5001 of the "Coronavirus Aid, Relief, and Economic Security Act," as described in 42 U.S.C. 801(d), and any applicable regulations. 42 U.S.C. 801(d) states that a unit of local government shall use the funds provided under a payment made under this section to cover only those costs of the unit of local government that:

- (1) are necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19);
- (2) were not accounted for in the governments most recently approved budget as of March 27, 2020; and
- (3) were incurred during the period that begins on March 1, 2020, and ends on December 31, 2021.

The Township failed to maintain appropriate supporting documentation that applicable expenditures were in accordance with the use of funds requirements. The Township did not maintain underlying documentation and support for four out of eight (50%) expenditures, totaling \$18,325. Expenditures lacking support were for a touchless security and monitoring system; tools and tool chest; and a replacement door with touchless lift.

Also, due to deficiencies in the Township's monitoring and review process, expenditures for the CARES Act were not adequately supported and amounts that may be owed back to Pike County were not identified.

The Township should review available guidance from the Office of Budget and Management prior to expending Coronavirus Relief Funds and ensure that all expenditures from such funding be for eligible purposes and repayments of unencumbered balances are properly made.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-028

Noncompliance

Related Party Transactions

Ohio Rev. Code, § 2921.42(A)(1), provides that no public official shall knowingly authorize, or employ the authority or influence of his office to secure authorization of any public contract in which he, a member of his family, or any of his business associates has an interest.

Ohio Rev. Code, § 102.03(D), provides that no public official or employee shall use or authorize the use of the authority or influence of office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

The Ohio Ethics Commission provided in Adv. Op. No. 90-005 that a board of education will be deemed to "authorize" all school district purchases for purposes of Divisions (A)(1) and (A)(3) of Section 2921.42 of the Revised Code, unless the board has passed a general resolution dispensing with the adoption of resolutions authorizing purchases and approving payments, in accordance with the requirements of Ohio Rev. Code § 3313.18. In the absence of such a statutory mechanism to dispense with such authorization by the legislative body, voting to approve the payment of bills was considered the authorization of those purchases for which payments were approved, regardless of whether the authorization or approval occurred before or after the actual payment.

The Ohio Ethics Commission further advised in Adv. Op. No. 90-005 that In instances where the board member himself does not have an interest in the purchases and would not profit from the purchases so as to implicate the prohibitions of Divisions (A)(3) and (A)(4) of Ohio Rev. Code § 2921.42, the board may wish to separate the purchases in which his family member or business associate has an interest from the other purchases being authorized. In this way, the board member could abstain, as required by Division (A)(1), from the vote to authorize the purchases in which the family member or business associate has an interest, but could participate in the vote to authorize the other purchases.

Ohio Rev. Code § 505.01 provides that in each township there shall be a board of township trustees consisting of three members.

Ohio Rev. Code § 507.11(B)(1) provides that no money belonging to the township shall be paid out, except upon an order signed by at least two of the township trustees, and countersigned by the township fiscal officer.

The Ohio Ethics Commission acknowledged in Adv. Op. No. 92-010 that a board of township trustees is required to pass a resolution approving the payment of payroll vouchers and to sign the vouchers/warrants. Where compensation is not fixed by statute, but the trustees have discretion to set the compensation of an employee, Ohio Rev. Code § 102.03(D) prohibits a trustee from participating in any matter relative to the employee's compensation. See Adv. Op. No. 92-010, 8.

During the audit period it was noted the Township made payments to contract workers for labor. Trustee Moore is related to one of the contract workers. A total of \$4,073 was paid in 2019 to that worker. Trustee Moore signed all thirteen checks to his grandson. Additionally, Trustee Salisbury is related to one of the contract workers. A total of \$146 and \$215 was paid in 2020 and 2021, respectively. Trustee Salisbury signed all three checks to her father in 2020 and none of the checks to her father in 2021. Furthermore, the minutes do not document that the Trustee abstained from approving the bills or pay related items pertaining to the individuals, but the minutes simply note a motion to pay the bills and a second, where such bills were supposed to be attached.

**FINDING NUMBER 2021-028
(Continued)**

The Township should consult with their legal counsel to review the requirements of Ohio Revised Code Sections 2921.42 and 102.03(D) to ensure that all public officials are transacting Township business in accordance with the Ohio Ethics Laws.

This matter will be referred to the Ohio Ethics Commission.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-029

Noncompliance

Super Blanket Purchase Orders

Ohio Rev. Code § 5705.41(D)(1) provides that no orders or contracts involving the expenditure of money are to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be void and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that treasurer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Rev. Code.

1. "Then and Now" certificate – If the chief fiscal officer can certify both at the time the contract or order was made ("then"), and at the time the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collections, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Board of Trustees can authorize the drawing of a warrant for the payment of the amount due. The Board of Trustees has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts less than \$100 in counties and less than \$3,000 in all other subdivisions may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Township.

2. Blanket Certificate – The auditor or fiscal officer may prepare "blanket" certificates for a certain sum of money, not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority, against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

**FINDING NUMBER 2021-029
(Continued)**

3. Super Blanket Certificate – The Board of Trustees may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel oil, gasoline, food items, roadway materials, utilities, and any other specific recurring and reasonably predictable operating expense. This certification may, but need not, be limited to a specific vendor. This certification is not to extend beyond the current fiscal year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

We found that the Township only used Super Blanket purchase orders during the audit period. Super Blanket purchase orders were used for all types of expenditures, not just specific recurring and reasonably predictable operating expenses as allowable by the Ohio Revised Code. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to help ensure purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Township's funds exceeding budgetary spending limitations, the Fiscal Officer should certify the funds are or will be available prior to obligation by the Township. When prior certification is not possible, "then and now" certification should be used.

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-030 Noncompliance

Credit Card Policy

Ohio Rev. Code § 505.64(A) provides, in part, that not later than February 2, 2019, the board of township trustees of any township that holds a credit card account on the effective date of this amendment shall adopt a written policy for the use of credit card accounts. Otherwise, a board shall adopt a written policy before first holding a credit card account. The policy shall include provisions addressing all of the following:

- (1) The officers, positions, or appointees authorized to use a credit card account;
- (2) The types of expenses of which a credit card account may be used;
- (3) The procedure for acquisition, use, and management of a credit card account and presentation instruments related to the account including cards and checks;
- (4) The procedure for submitting itemized receipts to the fiscal officer or the fiscal officer's designee;
- (5) The procedure for credit card issuance, credit card reissuance, credit card cancellation, and the process for reporting lost or stolen credit cards;
- (6) The township's credit card account's maximum credit limit or limits;
- (7) The actions or omissions by an officer, employee, or appointee that qualify as misuse of a credit card account.

The Township did not have an authorized credit card policy addressing the above items.

The Trustees should establish and approve a credit card policy. This policy should, at a minimum, identify authorized users; establish guidelines for allowable use/purchases; established method of reimbursement (if personal use is allowed); establish specific unallowable uses; establish procedure for credit card issuance, re-issuance, cancellation, and reporting of lost or stolen cards; establish monitoring of use by appropriate levels of management; and establish other guidelines deemed appropriate by the legislative body, such as detailed receipts.

**FINDING NUMBER 2021-030
(Continued)**

Officials' Response:

We did not receive a response from Officials to this finding.

FINDING NUMBER 2021-031

Noncompliance / Finding For Recovery

Expenditures Proper Public Purpose

State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951), provides that expenditures made by a governmental unit should serve a public purpose. Typically the determination of what constitutes a "proper public purpose" rests with the judgment of the governmental entity, unless such determination is arbitrary or unreasonable. Even if a purchase is reasonable, Ohio Attorney General Opinion 82-006 indicates that it must be memorialized by a duly enacted ordinance or resolution and may have a prospective effect only.

Auditor of State Bulletin 2003-005 Expenditure of Public Funds/Proper Public Purpose states that the Auditor of State's Office will only question expenditures where the legislative determination of a public purpose is manifestly arbitrary and incorrect. The Bulletin further states that the Auditor of State's Office does not view the expenditure of public funds for alcoholic beverages as a proper public purpose and will issue findings for recovery for such expenditures as manifestly arbitrary and incorrect.

Ohio Rev. Code § 5739.02(B) provides that sales tax does not apply to sales to the state or any of its political subdivisions.

Due to insufficient policies and procedures, the Township did not provide supporting documentation for the following expenditures. We were unable to determine whether these expenditures were for a proper public purpose:

- The Township did not provide support to document the hours, rate of pay, and specific work performed by contracted individuals in the amount of \$1,671.
- The Township did not provide support to document proper public purpose for other expenditures totaling \$3,075.

Additionally, during the audit period, the Township was assessed and paid late fee, finance, and service charges for the late payments of invoices and sales tax in the amount of \$107. The payment of late fees due to the inability of the Fiscal Officer to make timely payment is not a proper public purpose.

Under Ohio law, public officials are strictly liable for all public money received or collected by them or their subordinates under color of law. Ohio Rev. Code § 9.39; *Cordray v. Internatl. Preparatory School*, 128 Ohio St.3d 50 (2010). The late fees and unsupported payments above were incurred while Jessica Dickerson was Fiscal Officer of the Township.

In accordance with the forgoing facts and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Jessica Dickerson, Former Fiscal Officer in the amount of \$4,853, and in favor of the Union Township's general fund in the amount of \$1,535; motor vehicle license tax fund in the amount of \$1,617; and gasoline tax fund in the amount of \$1,701.

The Township should draft, approve, and implement policies and procedures requiring proper support for all transactions including original receipts for business expense reimbursements and proper public purpose documentation related to electronic transactions (including withdrawals and overdraft fees) and other transactions of the Township. Approval of such policies and procedures should be memorialized in the minutes.

**FINDING NUMBER 2021-031
(Continued)**

Officials' Response:

We did not receive a response from Officials to this finding.

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Union Township of Pike County

17 Adams Road
Beaver, OH 45613

UNION TOWNSHIP PIKE COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS DECEMBER 31, 2021, 2020, AND 2019

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2018-001	Financial Reporting errors.	No	Reissued as 2021-006
2018-002	Cash Reconciliation errors.	No	Reissued as 2021-007
2018-003	Township Trustee Compensation errors.	No	Reissued as 2021-011
2018-004	Segregation of Duties / Management Oversight	No	Reissued as 2021-001
2018-005	Failure to remit Medicare and Federal payroll taxes.	No	Reissued as 2021-018
2018-006	Failure to remit State payroll taxes.	No	Reissued as 2021-017
2018-007	PERS remittances paid late.	No	Reissued as 2021-016

OHIO AUDITOR OF STATE KEITH FABER



UNION TOWNSHIP

PIKE 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 11/12/2024

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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