



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Whiteoak Township
Highland County
Sardinia, Ohio 45171

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Whiteoak Township, Highland County, (the Township) for the years ended December 31, 2023 and 2022.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Township's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Township's financial statements, transactions or balances for the years ended December 31, 2023 and 2022.

The Township's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

1. **Ohio Rev. Code § 117.38** 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 60 days after the close of the fiscal year, except that public offices reporting pursuant to generally accepted accounting principles shall file their reports within 150 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, 2022 and 2023 annual financial reports due by March 1, 2023 and February 29, 2024, respectively, were not filed with the Auditor of State until August 16, 2024.

Failure to file a complete report by the established deadline, without an extension, could result in the assessment of penalties against the Township.

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.

2. **Ohio Rev. Code § 507.12** 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.

3. **Ohio Rev. Code § 149.43(B)(2)** states, in part, the entity shall have available a copy of its current records retention schedule at a location readily available to the public. The Township does not have a records retention schedule in place. Failure to establish a records retention schedule could result in the Township not complying with Public Records Laws. The Township should adopt a records retention schedule and make it readily available to the public and all employees should be made aware of the schedule.
4. **Ohio Rev. Code §5549.21** states that the board of township trustees may purchase or lease such machinery and tools as are necessary for use in constructing, reconstructing, maintaining, and repairing roads and culverts within the township, and shall provide suitable places for housing and storing machinery and tools owned by the township. It may purchase such material and employ such labor as is necessary for carrying into effect this section, or it may authorize the purchase or employment of such material and labor by one of its number, or by the township highway superintendent, at a price to be fixed by the board. All payments on account of machinery, tools, material, and labor shall be made from the township road fund. Except as otherwise provided in sections 505.08, 505.101 and 5513.01 of the Revised Code, all purchases of materials, machinery, and tools shall, if the amount involved exceeds fifty thousand dollars, be made from the lowest responsible bidder after advertisement, as provided in section 5575.01 of the Revised Code. On July 5, 2023 the Township purchased a truck in the amount of \$64,095. The Township did not provide any documentation that the truck was competitively bid.

Failure to follow competitive bidding procedures could allow the Township to pay more for equipment than is needed.

The Township should maintain all records in order to show compliance with the Ohio Revised Code and equipment purchases expected to exceed the \$50,000 threshold through competitive bidding procedures.

Current Status of Matters Reported in our Prior Engagement

1. The Agreed Upon Procedures report for the years ended December 31, 2021 and 2020 included an exception regarding the posting of Coronavirus Relief funding. It was posted to the General fund instead of a separate special revenue fund. This was not noted in our current review.
2. The Agreed Upon Procedures report for the years ended December 31, 2021 and 2020 included an exception regarding Township officials being underpaid in 2020. This was not noted in our current review.

3. The Agreed Upon Procedures report for the years ended December 31, 2021 and 2020 included an exception regarding the certification of funds, where the certification date was after the vendor invoice date. This was not noted in our current review.
4. The Agreed Upon Procedures report for the years ended December 31, 2021 and 2020 noted that the Township did not have an approved records retention schedule. This was not corrected and is repeated above as Current Year Observation 3.
5. The Agreed Upon Procedures report for the years ended December 31, 2021 and 2020 noted the Township's annual financial reports were not filed timely in the Hinkle System. This was not corrected and is repeated above as Current Year Observation 1.
6. The Agreed Upon Procedures report for the years ended December 31, 2021 and 2020 noted that the Township Fiscal Officer did not attend the required Fiscal Integrity Act training. This was not corrected and is repeated above as Current Year Observation 2.



Keith Faber
Auditor of State
Columbus, Ohio

September 9, 2024

OHIO AUDITOR OF STATE KEITH FABER



WHITEOAK TOWNSHIP

HIGHLAND COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 9/24/2024

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