



OHIO AUDITOR OF STATE
KEITH FABER





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BASIC AUDIT REPORT

Coal Township
Perry County
P.O. Box 381
New Straitsville, Ohio 43766

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of Coal Township, Perry County, Ohio (the Township) for the years ended December 31, 2024 and 2023.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the 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, 2024 and 2023.

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

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

Current Year Observations

1. Ohio Rev. Code § 133 contains various methods of incurring debt for townships. During 2024 and 2023, the Township made principal and interest payments on a promissory note in the amounts of \$11,359 and \$11,359 for payments on a truck. The Township was unable to provide statutory authority to incur debt through either installment loans or promissory notes with banking institutions. The Township should consult with legal counsel prior to incurring future debt to determine if the debt is authorized by statute. This was reported in the prior basic audit.
2. 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.

One of one (100%) of the Township's elected officials with terms ending in 2024, 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. This was reported in the prior basic audit.

Current Year Observations (Continued)

3. 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 annual salaries if voted upon unanimously by the township board of trustees. The per diem compensation shall be paid from the township general fund or from other township funds in such proportions as the kinds of services performed may require.

In 2024 and 2023, each of the Trustees' daily time and effort documentation indicated 3% of the time was spent on General Fund activities and 97% on road activities paid from the Gasoline Tax Fund. We noted employer withholdings were allocated 100% from the Gasoline Tax Fund for two Trustees. This resulted in the Gasoline Tax Fund being overcharged by \$96 and \$95 for 2024 and 2023, respectively.

Ohio Rev. Code § 507.09(D) sets forth the method by which township trustees' compensation should be allocated. The compensation of the township fiscal officer shall be paid in equal monthly payments. A township fiscal officer may be compensated from the township general fund or from other township funds based on the proportion of time the township fiscal officer spends providing services related to each fund. A township fiscal officer must document the amount of time the township fiscal officer spends providing services related to each fund by certification specifying the percentage of time spent working on matters to be paid from the township general fund or from other township funds in such proportions as the kinds of services performed.

In 2024 and 2023, the Fiscal Officer certified time spent on activities relating to allocation of 12% from the General Fund, 2% from the Motor Vehicle License Tax Fund, 84% from the Gasoline Tax Fund, and 2% from the Road and Bridge Fund. We noted employer withholdings were allocated 84% from the General Fund, 2% from the Motor Vehicle License Tax Fund, 84% from the Gasoline Tax Fund and 2% from the Road and Bridge Fund. This resulted in the General Fund being overcharged and the Gasoline Tax Fund being undercharged by \$866 and \$1,703 for 2024 and 2023, respectively.

The net impact of the errors resulted in the General Fund being overcharged by \$770 and \$1,608 for 2024 and 2023, respectively, therefore no adjustment is required. The Township should monitor the implementation of policies and procedures to help ensure compensation and certifications comply with Ohio Rev. Code §§ 505.24 and 507.09.

4. The Township wrote checks payable to cash totaling \$853 in 2024 and \$933 in 2023 to be used for petty cash. Petty cash was primarily utilized for payment of cleaning the Township building. The Township does not have a policy in place regarding petty cash, such as what types of expenditures can be made and the maximum amount to be paid for each transaction. The lack of a policy could lead to payments being outside of the control of the Board, or the Board being unaware of the types of payments being made from Township funds. Additionally, this could lead to vendors not being issued 1099's should cash payments to vendors exceed \$600 for a year. The Township should establish a comprehensive petty cash policy. This was reported in the prior basic audit.



Keith Faber
Auditor of State
Columbus, Ohio

March 31, 2025

OHIO AUDITOR OF STATE KEITH FABER



COAL TOWNSHIP

PERRY 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 4/10/2025

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