



OHIO AUDITOR OF STATE
KEITH FABER





BASIC AUDIT REPORT

Jefferson Township
Muskingum County
1595 Main Street
Dresden, Ohio 43821

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of Jefferson Township, Muskingum County, Ohio, (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 § 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 § 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 §§ 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 and Open Meetings Laws during each term of office. The training received must be certified by the Ohio Attorney General.

One of four (25%) of the Township's elected officials with terms ending in 2023, did not, during their term of office, attend a required Certified Training or have an appropriate designee attend the training as required by Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1), 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.

2. **Ohio Rev. Code § 149.43(E)(2)** 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.

We noted the Township did not maintain written acknowledgement the public records policy was provided to the records custodian. This could result in records requests not being fulfilled in accordance with Ohio law.

Current Year Observations (Continued)

3. **Ohio Rev. Code § 5705.09** provides that each subdivision will establish a special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose. Additionally, Auditor of State (AOS) Bulletin 2021-004 requires Local Fiscal Recovery Fund award receipts into a special revenue fund titled the “Local Fiscal Recovery Fund.”

The Township received Local Fiscal Recovery monies in 2022 and recorded the revenue in a fund titled “Coronavirus Relief Fund”. The failure to utilize an appropriate separate fund for a restricted revenue source and properly title the fund can lead to difficulty in identifying related expenditures and accounting for the grant.

The Township should refer to AOS Bulletin 2021-004 and other relevant guidance for the reporting of new funding sources. The Township should establish the required special funds as needed and ensure they are properly titled when new restricted revenue sources are obtained.

4. **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.

While the Township's Board of Trustees approved permanent appropriations on March 7, 2023 and March 1, 2022 for fiscal years ending December 31, 2023 and 2022, respectively, the Township failed to file appropriations with the County Auditor. Therefore, the County Auditor was unable to provide the Township with a “does not exceed” certification. Additionally, without the County Auditor's “does not exceed certification”, the appropriation measures passed by the Board of Trustees is not valid. This resulted in expenditures exceeding appropriations by \$298,389 and \$428,484 for the years ending December 31, 2023 and 2022, 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.

5. We found one debt payment in 2023 that included \$421 for a late fee, which is not a proper public purpose for the Township. The Township should ensure all payments are made timely to avoid late fees and interest charges.



Keith Faber
Auditor of State
Columbus, Ohio

February 4, 2025

OHIO AUDITOR OF STATE KEITH FABER



JEFFERSON TOWNSHIP

MUSKINGUM COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 2/18/2025

65 East State Street, Columbus, Ohio 43215
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This report is a matter of public record and is available online at
www.ohioauditor.gov