



Dave Yost • Auditor of State





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Waldo Township Park District  
Marion County  
Waldo, Ohio

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Waldo Township Park District, Marion County, (the Park District) as of and for the period ended February 16, 2017 and year ended December 31, 2016.

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 Park District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Park District's financial statements, transactions or balances for the period ended February 16, 2017 and year ended December 31, 2016.

The Park District'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.

## Current Year Observations

1. We noted that General Fund expenditures of \$29,818 exceeded appropriations by \$2,318 for the year ended December 31, 2016. Ohio Rev. Code §5705.41(B) provides that no subdivision or taxing unit shall make any expenditure of money unless it has been appropriated. Because appropriations authorize spending, expending more than appropriations potentially authorizes deficit spending. The Park District should monitor expenditures and compare them with appropriations throughout the year to ensure they are within approved appropriations or modify the appropriations as necessary.

## Current Status of Matters we Reported in our Prior Engagement

1. The prior audit for the years ended December 31, 2015 and 2014 included an internal control recommendation due to the Park District not maintaining supporting documentation. We noted that the Park District did not correct this for 2016. We scanned the check register and voucher files and noted that the Park District did not maintain invoices or other supporting documentation for five payments to Tyler Bender totaling \$1,000. Failure to maintain supporting documentation can result in an inability to manage and monitor the Park District's operations in an effective manner and the ability to pay bills as they become due. The Park District should retain invoices for each disbursement made.
2. The prior audit for the years ended December 31, 2015 and 2014 included noncompliance due to the Park District not filing their financial statements with the Auditor of State timely. We noted that the Park District did not correct this for 2016 by not filing their financial statements in the HINKLE system. Ohio Rev. Code §117.38 provides that an annual financial report be filed with the Auditor of State within sixty days after the close of the fiscal year. By not filing timely, the Park District may be subject to fines and penalties and increased audit costs. The Park District should file their annual financial report within sixty days of year end.

**Current Status of Matters we Reported in our Prior Engagement (Continued)**

3. The prior audit for the years ended December 31, 2015 and 2014 included an internal control recommendation due to the Park District's bank-to-book reconciliation being unreconciled. We noted that the Park District did not correct this for 2016 or for the period ended February 16, 2017. We examined the Check Register / bank reconciliations prepared for 2016 and noted the Check Register erroneously excluded four deposits totaling \$618, which resulted in the Park District being unreconciled by \$618 at December 31, 2016. We also examined the Check Register prepared for January and February 2017 and noted the Check Register erroneously excluded one deposit and three disbursements (including the payment to Waldo Township to close the account) totaling \$2,480, which resulted in the Park District being unreconciled by \$2,480 at February 16, 2017.

Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. Unidentified differences result in inaccurate fund cash balance information, and conceivable could cause deficit spending. The Park District should perform bank-to-book reconciliations monthly and follow-up on any reconciling items in a timely manner.

4. The prior audit for the years ended December 31, 2015 and 2014 included noncompliance due to the Park District not maintaining receipt or appropriation ledgers which integrate budgeted information. We noted that the Park District did not correct this for 2016 or for the period ended February 16, 2017. Ohio Admin. Code § 117-2-02(D)(2) and (3) provides that accounting records maintained by all local public offices should include a receipts ledger and appropriations ledger, which include budgeted information. The Park District should prepare receipt and appropriation ledgers that include budgeted information.
5. The prior audit for the years ended December 31, 2015 and 2014 included an internal control recommendation due to the Park District not having established formal procedures to reasonably assure completeness and accuracy of the monthly reporting due to a lack of segregation of duties. We noted that the Park District did not correct this for 2016 or for the period ended February 16, 2017. During 2016 and for the period ended February 16, 2017, the Board Chairperson was the Park District's only employee. The lack of segregation of duties and internal controls may result in inaccurate financial information being reported or even undetected theft.



**Dave Yost**  
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April 16, 2018



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**WALDO TOWNSHIP PARK DISTRICT**

**MARION COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MAY 10, 2018**