



JEFFERSON TOWNSHIP, ROSS COUNTY

**Independent Accountant's Report on
Applying Agreed-Upon Procedures**

**For the Years Ended
December 31, 2019 and 2018**

J.L. UHRIG
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS



OHIO AUDITOR OF STATE
KEITH FABER



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Board of Trustees
Jefferson Township
225 Market Street
Richmond Dale, Ohio 45673

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of Jefferson Township, Ross County, prepared by J.L. Uhrig and Associates, Inc., for the period January 1, 2018 through December 31, 2019. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Jefferson Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 5, 2020

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Jefferson Township
Ross County
225 Market Street
Richmond Dale, Ohio 45673

We have performed the procedures enumerated below, with which were agreed to by the Board of Trustees and the management of Jefferson Township, Ross County, Ohio (the Township) and the Auditor of State agreed, on receipts, disbursements and balances recorded in the Townships cash-basis accounting records for the years ended December 31, 2019 and 2018, and certain compliance requirements related to these transactions and balances, included in the information provided to us by management. The Township is responsible for receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Township. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash

1. We recalculated the December 31, 2019 and December 31, 2018 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2018 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2017 balances in the prior year documentation in the agreed-upon procedures working papers. We found no exceptions. We also agreed the January 1, 2019 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2018 balances in the Fund Ledger Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2019 and 2018 fund cash balances reported in the Fund Status Report and the financial Statements filed by the Township Hinkle. The amounts agreed
4. We confirmed the December 31, 2019 bank account balances with the Township's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2019 bank reconciliation without exception.

5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2019 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. There were no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of five receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution List (DTL) and the Ross County Auditor Audit Trail Report for 2019 and a total of five from 2018:
 - a. We compared the amount from the above named reports to the amount recorded in the Receipt Detail Report. The amounts agreed.
 - b. We inspected the Receipt Detail Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Receipt Detail Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Receipts Detail Report to determine whether it included two real estate tax receipts for 2019 and 2018. The Receipt Detail Report included the proper number of tax receipts for each year.

Debt

1. From the prior agreed-upon procedures documentation, we observed the following loan was outstanding as of December 31, 2017. These amounts agreed to the Township's January 1, 2018 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2017:
Dump Truck	\$23,000

2. We inquired of management, and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2019 and 2018 or Debt Payment Activity during 2019 or 2018. All debt agreed to the summary we used in procedure 3.
3. We obtained the debt payment amounts in the Appropriation Ledger and payment register detail for 2019 and 2018 and agreed principal and interest payments from the related debt amortization schedule listed on the invoice to the Fire Special Levy Fund and Gas Tax Fund payments reported in the Payment Register Detail Report. We also compared the date the debt service payments were due to the date the Township made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds in 2018, from the debt documents to amounts recorded in the Fire Special Levy fund per the Revenue Ledger. The amounts agreed. However, the Township recorded the proceeds as Other Financing Sources.
5. For new debt issued during 2018, we inspected the debt legislation, which stated the Township must use the proceeds to purchase a squad. We inspected the Payment Register Detail Report and observed the Township purchased a squad in November 2018.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2019 and one payroll check for five employees from 2018 from the Wage Detail Report and:
 - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We inspected the fund and account codes to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the Wage Detail Report. We also confirmed the payment was posted to the proper year. We found no exceptions.

2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2019 to confirm remittances were timely paid, and the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2019. We observed the following:

Withholding	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2020	January 13, 2020	\$890.60	\$890.60
State income taxes	January 15, 2020	January 15, 2020	\$179.96	\$179.96
OPERS retirement (withholding plus employer share)	January 31, 2020	January 17, 2020	\$2,154.07	\$2,154.07

3. For the pay periods ended July 15, 2019 and March 15, 2018 we
 - a. Recomputed the allocation of the Board's Salary amounts to the General, Motor Vehicle License Tax and Gas Tax Fund per the Wage Detail Report. We found no exceptions.
 - b. Traced the Boards' salary for time or services performed to supporting certifications the Revised Code requires. We found no exceptions.
6. We compared total gross pay for the fiscal officer and each board member for 2019 and 2018 to the compensation permitted by Ohio Revised Code Sections 507.09 and 505.24, respectively. We found no exceptions.
7. We inquired of management and inspected the Payment Register Detail Report for the years ended December 31, 2019 and 2018 to determine if Township employees and/or trustees were reimbursed for out-of-pocket insurance premiums. No such reimbursements occurred.

Non-Payroll Cash Disbursements

1. We selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2019 and ten from the year ended 2018 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.

- c. The payment was posted to a fund consistent with the restricted purpose for which the fund’s cash can be used. We found no exceptions.
- d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

- 1. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2019 and 2018 for the General, Gas Tax and Motor Vehicle License Tax funds, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.
- 2. We inspected the 2019 and 2018 Revenue Status Reports and Appropriation Status Reports for evidence of Interfund transfers exceeding \$500 which Ohio Rev. Code Sections 5705.14-.16 restrict. We found no evidence of transfers.
- 3. We inspected the Cash Summary by Fund Report for the years ended December 31, 2019 and 2018 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (l) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. No funds had a negative cash fund balances.

Sunshine Law Compliance

- 1. We obtained and inspected the Township’s Public Records Policy to determine the policy did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
- 2. We selected public records requests from the engagement period and inspected each request to determine the Township was compliant and responded to the request in accordance with their adopted policy. The Township did not receive any public records requests during the engagement period.

Date Request Received	Date Request Fulfilled	Policy Response Time (in Business days)	Actual Response Time (in Business days)
n/a			

3. We selected denied public records requests from the engagement period and inspected the request to determine the Township provided an explanation which included the legal authority to the requester. The Township did not receive any public records requests during the engagement period.
4. We selected public records requests with redactions from the engagement period and inspected to determine the Township was redacting records and making the redactions visible, and provided an explanation which included the legal authority to the requester. The Township did not receive any public records requests during the engagement period.
5. We inquired whether the Township has a records retention policy, and if that policy is readily available to the public. We found no exceptions.
6. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager. We found no exceptions.
7. We inspected the Township's policy manual and determined the public records policy was included. We found no exceptions.
8. We inquired whether the Township's poster describing their Public Records Policy was displayed conspicuously in all branches of the Township. We found no exceptions.
9. We selected applications submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. We inspected the approval by the Records Commission for the selected applications and the review of the schedules. (Note: the records retention schedule is not the same policy as the public records policy.) The Township did not receive any public records requests during the engagement period.
10. We inspected the individual training certificates and determined whether each elected official (or his/her designee) successfully attended a certified three-hour Public Records Training for each term of office. We found no exceptions.
11. We inspected the public notices for the public meetings held during the engagement period and determined the Township notified the general public and news media of when and where meetings during the engagement period are to be held. We found no exceptions.
12. We inspected the minutes of public meetings during the engagement period and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.

13. We inspected the minutes from the engagement period and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires townships to file their financial information in the Hinkle System within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Township filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy, within the allotted timeframe for the years ended December 31, 2019 and 2018 in the Hinkle system. There were no exceptions for 2019, however, the 2018 financial information was filed May 7, 2020 which was not within the allotted timeframe.
2. We inspected the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html>) to determine whether the fiscal officer obtained the training required by Ohio Rev. Code Section 507.12 and 733.81. Fiscal Officer obtained 5 of the required 12 hours of training.
3. For all credit card accounts we obtained:
 - copies of existing internal control policies,
 - a list(s) of authorized users, and
 - a list of all credit card account transactions.
 - a. We inspected the established policy obtained above and determined it is:
 - i. in compliance with the HB 312 statutory requirements, and
 - ii. implemented by the entity.We found no exceptions.
 - b. We selected 1 credit card transaction from each credit card account for testing. For selected transactions we inspected documentation to determine that:
 - i. Use was by an authorized user within the guidelines established in the policy, and
 - ii. Each transaction was supported with original invoices and for a proper public purpose.We found no exceptions.
 - c. We selected 3 credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:
 - i. No unpaid beginning balance was carried forward to the current billing cycle,
 - ii. Ending statement balance was paid in full, and
 - iii. Statement contained no interest or late fees.We found no exceptions.

- d. For cash withdraws made. We selected 1 cash withdraws and inspected supporting documentation to determine:
 - i. The policy explicitly allowed for cash withdraws and when related legislative or administrative action was passed.
 - ii. Appropriate and specific additional controls were implemented for cash withdraw transactions.

We found that the Township did not have any cash withdraws during the engagement period.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Township's receipts, disbursements, balances and compliance within certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in the evaluation of the Township receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2019 and 2018, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

July 13, 2020

OHIO AUDITOR OF STATE KEITH FABER



JEFFERSON TOWNSHIP

ROSS 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 8/18/2020

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