



OHIO AUDITOR OF STATE
KEITH FABER



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Village of Chilo
Clermont County
P.O. Box 23
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We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Village of Chilo, Clermont County, (the Village) for the years ended December 31, 2019 and 2018.

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 Village's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

The Village'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 § 149.43(E)(2)** provides that every public office must have a policy in place for responding to public records requests. Accordingly, a public records policy cannot: (1) limit the number of public records the office will make available to a single person; (2) limit the number of public records the office will make available during a fixed period of time; and (3) establish a fixed period of time before the office will respond to a request for inspection/copying of public records unless that period is less than eight hours. However, pursuant to **Ohio Rev. Code § 149.43(B)(7)(c)**, the policy may limit the number of public records the public office will physically deliver by U.S. Mail or other delivery service to ten per month unless the person certifies to the office in writing that the person does not intend to use or forward the requested records, or the information contained in them, for commercial purposes. For purposes of this division, "commercial" shall be narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research. Additionally, all public offices are required by Ohio Rev. Code § 149.43(E)(2) to distribute their Public Records Policy to the employee who is the records custodian/manager of otherwise has custody of the records of that office.

Due to deficiencies in public record request procedures and monitoring, the Village does not have a Public Records Policy. This could result in records requests not being fulfilled in accordance with Ohio law.

The Village should establish a public records policy to address the Village's available records, the times when public records may be inspected, and the costs associated with records requests. The policy should be included in policy manuals and the Public Records Act requires that the policy be displayed conspicuously in all branches of the Village. In addition, the Village should have written evidence that the Public Records Policy was provided to the records custodian/manager.

Furthermore, pursuant to **Ohio Rev. Code § 109.43(E)**, the Ohio Attorney General has developed and provided to all public offices a model public records policy for responding to public records requests. The policy, which is available at <https://www.ohioattorneygeneral.gov/Files/Government-Entities/Model-Public-Records-Policy.aspx>, provides guidance to public offices in developing their own policies for responding to public records requests in compliance with the Public Records Act.

2. **Ohio Rev. Code § 149.43(B)(2)** provides that the entity shall have available a copy of its current records retention schedule at a location readily available to the public. The Village does not have a records retention schedule and therefore could not make it readily available to the public.

Village officials should review Ohio Rev. Code § 149.43(B)(2) and Auditor of State Bulletin 2007-014 in order to gain an understanding of what needs to be included in the records retention schedule. The Village should adopt and post a records retention schedule.

3. We noted the Village did not withhold state income tax and Ohio Public Employees Retirement System (OPERS) contributions from employee paychecks. The Village additionally did not withhold Social Security or Medicare for the Mayor and Fiscal Officer; however the Village paid the amounts due on their behalf. The Fiscal Officer reimbursed the Village for Social Security and Medicare in December 2018 and December 2019. Failure to properly withhold and remit payroll withholdings could result in penalties and late fees.

We recommend that the Village withhold and remit state income taxes and Medicare taxes for each payroll disbursement. The Auditor of State will refer to OPERS the matter of employees not paying into OPERS to obtain a determination whether the Village's employees are subject to OPERS withholdings.



Keith Faber
Auditor of State

Columbus, Ohio

August 21, 2020

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VILLAGE OF CHILO

CLERMONT 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 9/3/2020

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