



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Clay Township
Muskingum County
P.O. Box 37
Roseville, Ohio 43777

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of Clay Township, Muskingum County, Ohio (the Township), for the years ended December 31, 2020 and 2019.

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, 2020 and 2019.

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 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. No certificates of completion were provided to show the required training was completed.
2. **Ohio Rev. Code §117.38** provides that entities filing on a cash-basis must file annual reports with the Auditor of State within 60 days of the fiscal year-end. The Auditor of State may prescribe by rule or guidelines the forms for these reports. However, if the Auditor of State has not prescribed a reporting form, the public office shall submit its report on the form used by the public office. We noted the 2020 financial statements were filed with the Auditor of State on August 30, 2021 after the deadline of March 1, 2021 and the 2019 financial statements were filed with the Auditor of State on April 3, 2020 after the deadline of February 29, 2020.
3. **Ohio Rev. Code § 149.43(B)(2)** states that a public office shall have available a copy of its current records retention schedule at a location readily available to the public. We noted the Township did not have a records retention schedule.

Current Year Observations (Continued)

4. **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; and, if the public office has a manual or handbook of its general policies and procedures for all employees, include the public records policy in that manual or handbook. The Township did not have a designated records custodian/manager.
5. **Ohio Rev. Code § 5705.10(I)** states that money paid into any fund shall be used only 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 fund. The Township had a negative fund balance in the General Fund in the amount of \$19,144 at December 31, 2019 and \$40,878 at December 31, 2020. This is a repeat from the prior audit report.
6. **Ohio Rev. Code § 5705.39** states that the total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure therefrom, as certified by the 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. When the appropriation does not exceed such official estimate, the county auditor shall give such certificate forthwith upon receiving from the appropriating authority a certified copy of the appropriation measure. Appropriations shall be made from each fund only for the purposes for which such fund is established. Appropriations in the General Fund exceeded estimated resources in the amount of \$15,689 in 2020. This is a repeat from the prior audit report.
7. **Ohio Rev. Code § 5705.41(B)** prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated. The Township's General Fund had expenditures exceeding appropriations in the amount of \$34,661 for the year ended December 31, 2020. This is a repeat from the prior audit report.



Keith Faber
Auditor of State
Columbus, Ohio

October 14, 2021

OHIO AUDITOR OF STATE KEITH FABER



CLAY 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 11/4/2021

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