



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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## BASIC AUDIT REPORT

Village of Wilkesville  
Vinton County  
P.O. Box 67  
Wilkesville, Ohio 45695

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Village of Wilkesville, Vinton County, Ohio (the Village), for the years ended December 31, 2021 and 2020.

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 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, 2021 and 2020.

The Village'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.

There was no evidence provided that Village elected officials with terms ending in 2021 and 2020 attended a required Certified Public Records Training or had an appropriate designee attend a training, 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.

The elected officials, or their designee(s), should, during their term of office, attend public records training and maintain proof of completion of the training.

2. Maintaining organized documentation and support for financial transactions is essential in assuring the Village financial statements are not materially misstated and that all expenditures are made for a proper public purpose. Additionally, **Ohio Rev. Code § 149.351** requires all records that are the property of the public office shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under Ohio Rev. Code §§ 149.38 through 149.42.

### Current Year Observations (Continued)

The Village did not maintain underlying documentation and support for four transactions:

2021 –

- Check #6533 written to the former Fiscal Officer totaling \$17.42 was for a reimbursement for paying expenses with a personal credit card; however, there was no supporting documentation to support the reimbursed amount.
- Check #6606 written to the Secretary of State totaling \$33.11 was for State of Ohio income taxes.
- Check # 6607 written to the US Treasury totaling \$509.85 was for federal withholding payments.

2020 -

- Check #6413 written to the Mayor totaling \$60 included a sheet of paper stating "bill for 6 pizzas for dance." Which does not provide adequate support to detail the amounts reimbursed agreed to what was paid.

Failure to maintain underlying documentation and support of financial transactions can increase the risk of fraud, result in financial statement misstatements, and expenditures that are not for a proper public purpose.

The Village should maintain all invoices for all financial transactions and records be maintained in an orderly manner to support all transactions.

3. **Ohio Rev. Code § 149.43(E)(2)** provides that every public office must have a policy in place for responding to public records requests. Generally, 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. "Commercial" is 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.

Ohio Rev. Code § 149.43(E)(2) further 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; create and display in a conspicuous place in all locations where the public office has branch offices a poster describing 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 Village has no formal written policy that would demonstrate compliance with the Ohio Revised Code. This could result in records requests not being fulfilled in accordance with Ohio law.

Also, Ohio Rev. Code § 149.43(B)(2) requires the Village to have available a copy of its current records retention schedule at a location readily available to the public.

The Village has not adopted a Records Retention policy/schedule.

### Current Year Observations (Continued)

The Village shall establish a public records policy. The policy shall be distributed to the records custodian/manager and the Village should have a written acknowledgement of receipt from the records custodian/manager. In addition, a poster describing the public records policy must be conspicuously displayed in all of the Village's branch offices and the public records policy must be included in policy manuals or handbooks if any exist.

Pursuant to Ohio Rev. Code § 109.43(E)(2), 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.

Also, the Village Council should approve a records retention schedule and have it readily available to the public.

4. **Ohio Rev. Code § 733.81(D)(2)** states an elected or appointed fiscal officer who retains office for a subsequent term shall complete twelve hours of continuing education courses in each subsequent term of office. Further, **Ohio Admin. Code § 117-14-01(C)** states that nonelected municipal fiscal officers term shall be four years, and such term shall begin on the first day of April in 2016. All subsequent such terms shall begin on the first day of April quadrennially thereafter.

The Fiscal Officer during the audit period had held the position for several years prior to the implementation of the fiscal integrity act for a first "term" of April 2016 through March 2020. We noted the Fiscal Officer did not complete the requirements of the fiscal integrity act during his term.

The Fiscal Officer should attend the required training

5. The Village should ensure bills are paid by the required date in order to avoid penalties and interest as well as service interruption. In 2020, the Village neglected to timely file and pay withholdings to the US Treasury resulting in late fees and interest of \$37 being paid. Such payments could result in questions regarding whether payment of late fees and accrued fees are considered expenditures for a proper public purpose.

The Village should pay invoices in a timely manner in order to avoid paying penalties on obligations.

6. Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

The Fiscal Officer is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Village Council and/or other administrator are responsible for reviewing the reconciliations and related support.

### **Current Year Observations (Continued)**

Monthly bank to book reconciliations were not prepared or reviewed from February 2022 through August 2022. Failure to reconcile monthly increases the possibility that the Village will not be able to identify, assemble, analyze, classify, and record its transactions correctly or to document compliance with finance related legal and contractual requirements. Further, the lack of accurate monthly reconciliations increases the risk of theft/fraud over the cash cycle and could lead to inaccurate reporting in the annual financial statements.

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

1. In addition to the matters reported in items 1 and 3 above, our prior audit for the years ended December 31, 2019 and 2018 included an issue for not filing financial statements timely within the HINKLE System. The current audit showed that both years ended December 31, 2021 and 2020 were filed timely.
2. Further, the prior audit indicated that the Fiscal Officer was not recording transactions in the cashbook from May through August 2020. The cashbooks provided showed that these months had been recorded properly.



Keith Faber  
Auditor of State  
Columbus, Ohio

September 28, 2022

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF WILKESVILLE**

**VINTON 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 10/11/2022**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)