

LGOC

Common Audit Comments and Citations

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Agenda



Terminology



Types of Audit Comments



Common Audit Comments

Audit Terminology

GAGAS

- Generally Accepted Government Auditing Standards
- Comments affecting the financial statements
- aka: the Yellow Book

Single Audit

- The Single Audit Act of 1984 (amended in 1996) – applicable if entity expends \$1,000,000 of federal dollars in 1 year.
- Comments affecting federal programs

Noncompliance

- Citation

Recommendation

- Internal Control Deficiency

Types of Audit Comments

Report Level

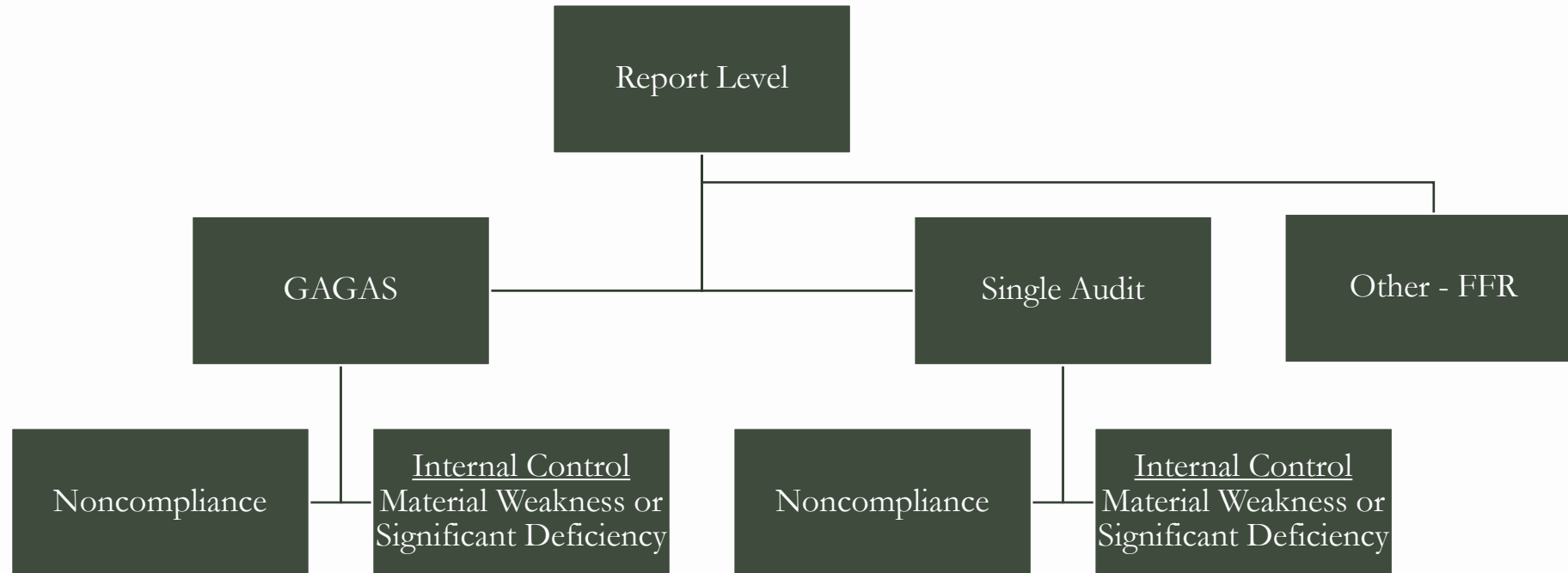
A grey downward-pointing arrow indicating a flow from the Report Level to the Management Letter.

Management Letter

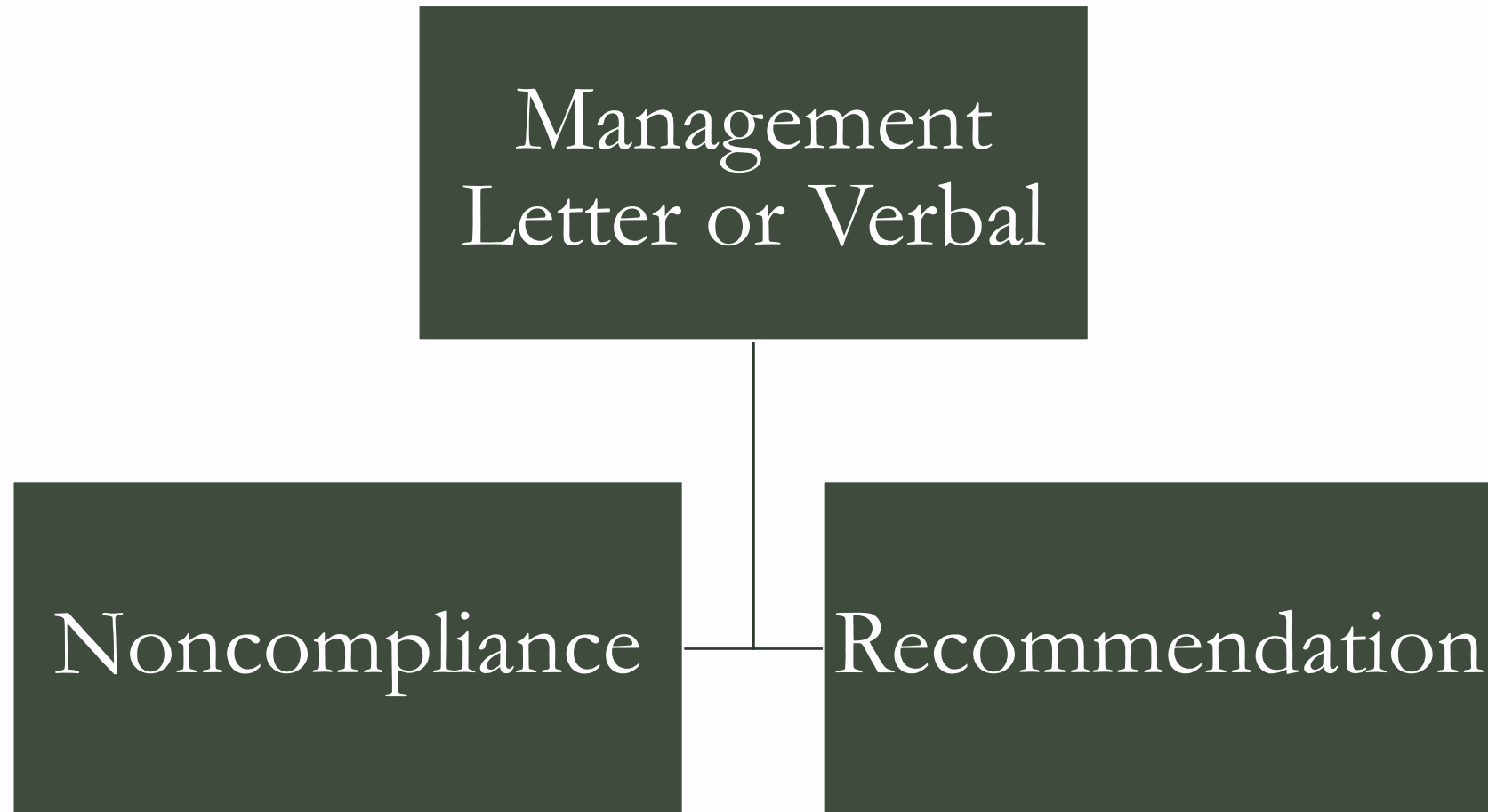
A grey downward-pointing arrow indicating a flow from the Management Letter to the Verbal comment.

Verbal

Types of Audit Comments



Types of Audit Comments



Noncompliance Examples

Federal Code of
Regulations

Grant
Agreements

United States
Code

Ohio Ethics
Commission
Opinions

Ohio
Administrative
Code

Ohio Revised
Code

Federal & State
Court Decisions

Ohio
Constitution

Local Ordinance,
Policy,
Resolution, etc.

Ohio Compliance Supplement

https://www.ohioauditor.gov

Auditor of State | Suggested Sites | abouttabs | Auditor Resources -... | Intranet Common P... | Regional Locator Se... | Index | Hinkle System Man... | Single Audit Search | Schools - SQL Serve...



- AUDITS
- LOCAL GOVERNMENTS
- OPEN GOVERNMENT
- TRAINING
- RESOURCES
- CONTACTS
- ABOUT
- NEWSROOM

Search...

Report Fraud

Search Audits

eServices Login

- Local Government Services (LGS)
- LOCAL GOVERNMENT RESOURCES
 - New Fiscal Officers
 - Outgoing Officers
 - Cybersecurity
 - Reference Materials
 - Financial Health Indicators (FHI)
 - Hinkle System Financial Reporting
 - Regional Councils of Governments (COGs)
 - Auditor of State Awards
 - Fiscal Distress
 - UAN Overview



Identify \$17 million in questioned costs, rampant financial mismanagement at Eastern Gateway Community College

...tinely failed to verify that expenses were proper and borrowed money without... to lenders or grasping the financial implications of the debt. "This goes beyond... mistakes," Auditor Faber said. The college also did not fully track enrollment... that student aid was properly disbursed.

Since January 2019:



154
CONVICTIONS
FOR FRAUD...



ON 360+
CHARGES,
RESULTING IN...



272
FINDINGS
FOR RECOVERY



\$28,529,126
TOTAL FINDINGS
SO FAR...

The Auditor's Special Investigations Unit is dedicated to rooting out fraud and bringing the criminals to justice.

- Learn More >>
- Report Fraud >>
- Special Report >>



SPEAK UP. STOP FRAUD.

Learn More >>

Ohio Compliance Supplement

Ohio Compliance Manuals

Single Audit Practice Aids & Report Shells

Federal Award Compliance Control Records (FACCR)

Agreed-Upon Procedure Shells

Audit Report Shells

- FYE 12/31/21 & Subseq
- Prior to FYE 12/31/21

Additional Audit Guidance

- Agricultural Societies
- Community Schools
- American Municipal Power

Ohio Laws & Rules

Ohio Compliance Supplement

2026

[Ohio Compliance Supplement Implementation Guide \(pdf\)](#)

- [The Compliance ACE is available in Exhibit 3](#)
- [Legal Matrix \(xlsx\)](#)

[Ohio Compliance Supplement Manual \(pdf\)](#)

- [Chapter 1 – Direct Laws \(pdf\) \(docx\)](#)
- [Chapter 2 – Indirect Laws and Statutorily Mandated Tests \(pdf\) \(docx\)](#)
- [Chapter 3 – Stewardship \(pdf\) \(docx\)](#)

[Optional Procedures Manual \(docx\)](#)





Ohio Compliance Supplement

Step N	Requirement	Ag. Soci	Airport Author	City	Comm. College (3354)	Community School
General Budgetary Requirements (1-1 through 1-3)						
1-1	<u>Budgetary</u> - ORC 5705.38: Annual appropriation measures - classification			✓	✓	
1-2	<u>Budgetary</u> - ORC 5705.41(D) and 5705.42: Restriction upon appropriation and expenditure of money - certificate of fiscal officer			✓	✓	
1-3	<u>Budgetary</u> - ORC 5705.40: Amending or supplementing appropriation, ordinance – transfer – unencumbered balance – appropriation for contingencies			✓	✓	
1-4	<u>Budgetary</u> - ORC 5705.09 and 5705.12: Establishing funds and permission to establish special funds			✓	✓	
1-5	<u>Budgetary</u> - ORC 133.01, 1545.23, 3315.20, 5155.33, 5549.21, Various 5705 Sections, 5735.28: Distribution of levy revenue			✓	✓	
1-6	<u>Budgetary</u> - ORC 5705.05 and 5705.14-.16: Transfer of funds ⁴⁷			✓	✓	
1-7	<u>Budgetary</u> - AOS Bulletin 1997-003 and various ORC Sections: Advances ⁷			✓	✓	
1-8	<u>Budgetary</u> - ORC 5705.13, 5705.132, 5705.222, 5705.29: Reserve balance accounts & funds			✓	✓	
1-9	<u>Other Laws and Regulations</u> - ORC 5180.411 <u>5401.144</u> : County Children Services Fund					
Debt (1-10 through 1-13 & 4A-3)⁸						
1-10	<u>Debt</u> - ORC 133.22: Leg. auth. anticipation securities				✓	

Additional Resources

The screenshot shows the Ohio Auditor of State website at <https://www.ohioauditor.gov/default.html>. The navigation bar includes links for AUDITS, LOCAL GOVERNMENTS, OPEN GOVERNMENT, TRAINING, RESOURCES, CONTACTS, ABOUT, and NEWSROOM. A dropdown menu is open under 'RESOURCES', listing various categories: IPA Resources, Reference Materials, Federal, Publications & Manuals (highlighted with a red box), Technical Bulletins, Procurement Opportunities, Web Links, Required Filings & Notifications, and Ohio Checkbook. Below the menu, there is a 'MAKE A PAYMENT' section with 'eServices' and 'eServices Login' links, and a 'KIDS CORNER' section with a 'Student Center' link.

Since January 2019:

 154 CONVICTIONS FOR FRAUD...	 ON 360+ CHARGES, RESULTING IN...	 272 FINDINGS FOR RECOVERY	 \$28,529,126 TOTAL FINDINGS SO FAR...
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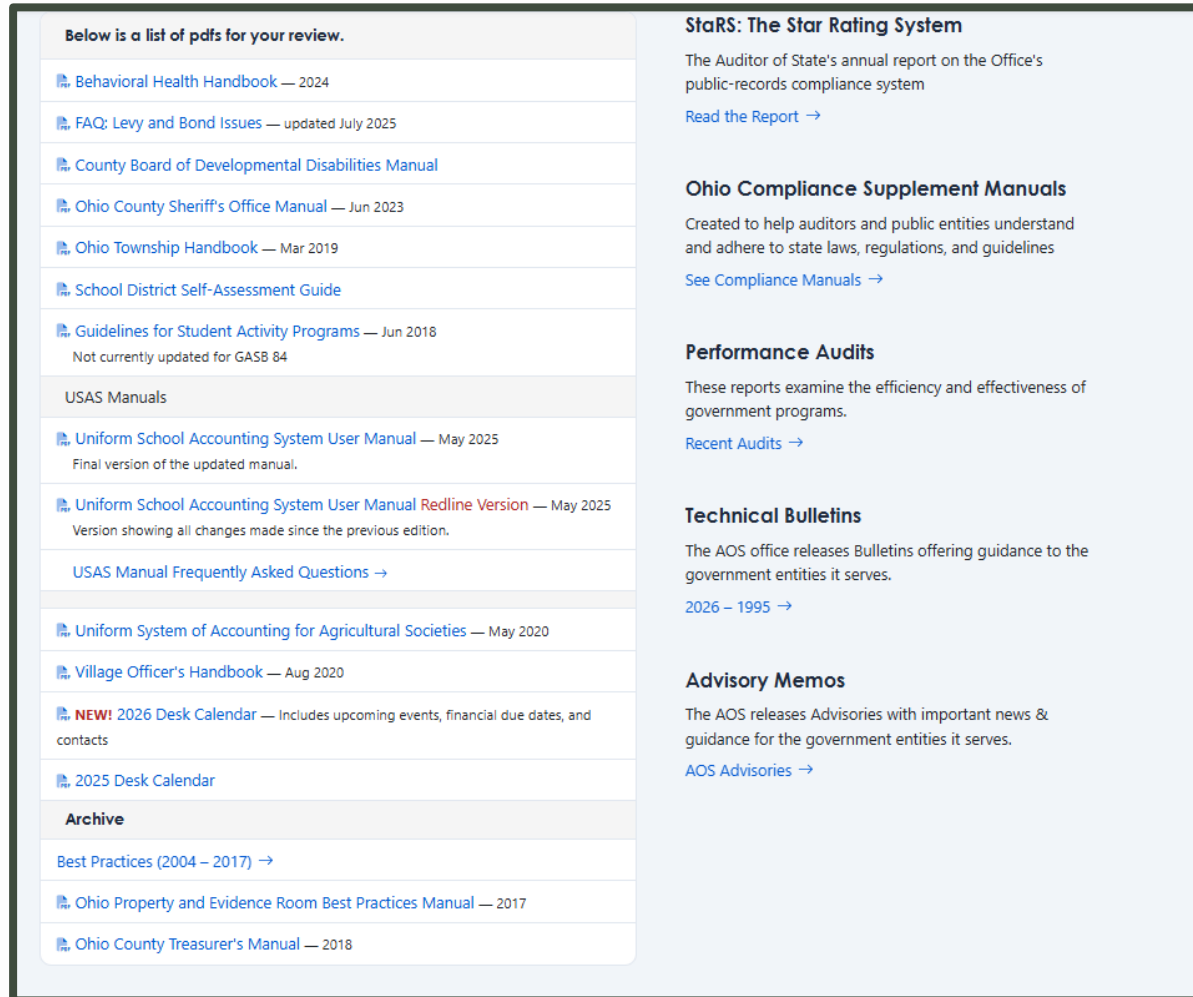
The Auditor's Special Investigations Unit is dedicated to rooting out fraud and bringing the criminals to justice.

[Learn More »](#) [Report Fraud »](#) [Special Report »](#)

SPEAK UP. STOP FRAUD.

[Learn More »](#)

Additional Resources



Below is a list of pdfs for your review.

- [Behavioral Health Handbook — 2024](#)
- [FAQ: Levy and Bond Issues — updated July 2025](#)
- [County Board of Developmental Disabilities Manual](#)
- [Ohio County Sheriff's Office Manual — Jun 2023](#)
- [Ohio Township Handbook — Mar 2019](#)
- [School District Self-Assessment Guide](#)
- [Guidelines for Student Activity Programs — Jun 2018](#)
Not currently updated for GASB 84

USAS Manuals

- [Uniform School Accounting System User Manual — May 2025](#)
Final version of the updated manual.
- [Uniform School Accounting System User Manual Redline Version — May 2025](#)
Version showing all changes made since the previous edition.

[USAS Manual Frequently Asked Questions →](#)

- [Uniform System of Accounting for Agricultural Societies — May 2020](#)
- [Village Officer's Handbook — Aug 2020](#)
- [NEW! 2026 Desk Calendar — Includes upcoming events, financial due dates, and contacts](#)
- [2025 Desk Calendar](#)

Archive

- [Best Practices \(2004 – 2017\) →](#)
- [Ohio Property and Evidence Room Best Practices Manual — 2017](#)
- [Ohio County Treasurer's Manual — 2018](#)

StaRS: The Star Rating System

The Auditor of State's annual report on the Office's public-records compliance system

[Read the Report →](#)

Ohio Compliance Supplement Manuals

Created to help auditors and public entities understand and adhere to state laws, regulations, and guidelines

[See Compliance Manuals →](#)

Performance Audits

These reports examine the efficiency and effectiveness of government programs.

[Recent Audits →](#)

Technical Bulletins

The AOS office releases Bulletins offering guidance to the government entities it serves.

[2026 – 1995 →](#)

Advisory Memos

The AOS releases Advisories with important news & guidance for the government entities it serves.

[AOS Advisories →](#)

Finding Released Audits

The screenshot displays the Ohio Auditor of State website. At the top left is the logo for Keith Faber. A dark green navigation bar contains the following menu items: AUDITS, LOCAL GOVERNMENTS, OPEN GOVERNMENT, TRAINING, RESOURCES, CONTACTS, ABOUT, and NEWSROOM. Below this is a light grey utility bar with a search input field, a red 'Report Fraud' button, a blue 'Search Audits' button (highlighted with a red box), and an 'eServices Login' button with an external link icon. The main content area features a news article titled 'Auditor formally ends fiscal emergency for Concord Township in Champaign County' with a sub-headline and a 'More Details' link. Below the article is a carousel indicator. The lower section contains two promotional banners. The left banner, titled 'Since January 2019:', lists four statistics: 154 convictions for fraud, 360+ charges resulting in... (partially obscured), 272 findings for recovery, and \$28,529,126 total findings so far. It includes links for 'Learn More', 'Report Fraud', and 'Special Report'. The right banner features a photo of hands in handcuffs holding money and the text 'SPEAK UP. STOP FRAUD.' with a 'Learn More' link.

Finding Released Audits

OHIO AUDITOR OF STATE
KEITH FABER

AUDITS ▾ LOCAL GOVERNMENTS ▾ OPEN GOVERNMENT ▾ TRAINING ▾ RESOURCES ▾ CONTACTS ▾ ABOUT ▾ NEWSROOM ▾

Audit Search

Reports Released Search Essentials

Entity Name or Report Title

Entity Type All Entity Types ▾

Report Description All Report Types ▾

County All Counties ▾

Fiscal Year All Fiscal Years ▾

Release Date All Release Months ▾ All Release Years ▾

Latest Release Date Check the box to get the latest AOS audit reports

Findings for Recovery Check the box to get FFR audit reports

Councils of Governments Check the box to get Regional COG audit reports

Reset Fields Search

Sample Noncompliance Citation

26 U.S.C § 3402(a)(1) states in general, except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary. **26 U.S.C. § 3403** states that the employer shall be liable for the payment of the tax required to be deducted and withheld under this chapter and shall not be liable to any person for the amount of any such payment.

The Township remitted withholdings late for January through October 2022 . The Township did not remit federal income and/or Medicare taxes and Social Security for all of the 2023 withholdings as of December 31, 2023. The total amount unremitted through December 31, 2023 equaled \$17,109.29; however, this is offset by overpayment by the Fiscal Officer of the 2022 amounts totaling \$6,205.

The Township should withhold federal income tax from all applicable officials and employees' compensation and remit payments to the Internal Revenue Service in a timely manner to avoid late fees and interest.

This matter will be referred to the Internal Revenue Service.

Sample Internal Control Comment

FINDING NUMBER 2021-005

Material Weakness- Bank Reconciliations

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 Board are responsible for reviewing the reconciliations and related support. The Fiscal Officer did not properly reconcile the bank statements to the cash journal monthly resulting in reconciling factors due to timing issues and other variances. Bank reconciliations completed included "other adjusting factors" for every month in 2020 and 2021. In addition, there were three checks totaling \$302 which were marked cleared in the system when still outstanding. The bank reconciliations were not completed for May, July, or September 2020 or for June or August 2021. In addition, bank reconciliations were not properly reviewed and approved by the Board of Trustees for nine meetings in 2021. Failure to properly reconcile monthly increases the possibility that the Township 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.

The Fiscal Officer should record all transactions and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. Variances should be investigated, documented and corrected. In addition, the Board should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews.

Where did I get my data?

Common Noncompliance Citations

Common Noncompliance Citations

26 U.S.C § 3402(a)(1) states in general, except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary. **26 U.S.C. § 3403** states that the employer shall be liable for the payment of the tax required to be deducted and withheld under this chapter and shall not be liable to any person for the amount of any such payment.

Common Noncompliance Citations

Ohio Rev. Code §§ 145.01, 145.03, 145.402, 145.47, 145.48, and Ohio Admin. Code 145-1-26 requires Ohio Public Employees Retirement System (OPERS) governments to enroll most of their employees in the appropriate retirement system, and to withhold from the employees' wages, or pay on behalf of the employees, a certain percentage of earned wages as defined and to pay over to the appropriate system the amounts withheld, matched with an appropriate percentage of employer matching contributions.

Compliance Noncompliance Citation

Ohio Rev. Code § 5705.10(D) provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose.

Property Tax Settlement

	TX/RT MILLS	EF/RT MILLS	REAL RECEIPTS	PERS-PROP RECEIPTS	TOTAL RECEIPTS	FEE A/T/REA DETAC	RECEIPTS NET-OF-FEES	ROLLBACK	2.5%-R/B	HOMESTEAD
FIRE & E.M.S. #108 2010/ /	1.00 .724880000 1.000000000		3042.78	306.10	3348.88 32.36 D	38.27 1.62	3308.99	532.87	46.75	214.08
FIRE CURRENT EXPE #109 1977/1982/	2.00 .679108000 .784790000		2848.17	612.20	3460.37 30.32 D	38.84 1.52	3420.01	499.23	43.75	200.56
GENERAL FUND #110 / /	3.60 3.600000000 3.600000000		15089.24	1101.96	16191.20 160.73 D	185.98 8.04	15997.18	2646.43	231.84	1063.17
A L L L E V I E S			20,980.19	2,020.26		263.09 11.18 D	22,726.18	3,678.53	322.34	1,477.81

Common Noncompliance Citations

Ohio Rev. Code § 5705.41(D)(1) provides that no orders or contracts involving the expenditure of money are to be made unless there is attached thereto a certificate of the Fiscal Officer certifying that the amount required meet the obligation or, the case of continuing contract to be performed in whole or in part in an ensuing fiscal year, the amount required to meet the obligation in the fiscal year in which the contract is made has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be void and no warrant shall be issued in payment of any amount due thereon.

Common Noncompliance Citation

Ohio Rev. Code § 5705.41(B) prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the Township's General, Motor Vehicle License Tax, Gasoline Tax, Road and Bridge, and Cemetery Funds had expenditures in excess of appropriations of \$38,385, \$10,000, \$97,408, \$84,021, and \$324, respectively, as of December 31, 2021.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the Township's General, Motor Vehicle License Tax, Gasoline Tax, Road and Bridge, and Permissive Motor Vehicle License Tax Funds had expenditures in excess of appropriations of \$81,017, \$15,654, \$166,795, \$21,448 and \$12,000, respectively, as of December 31, 2020.

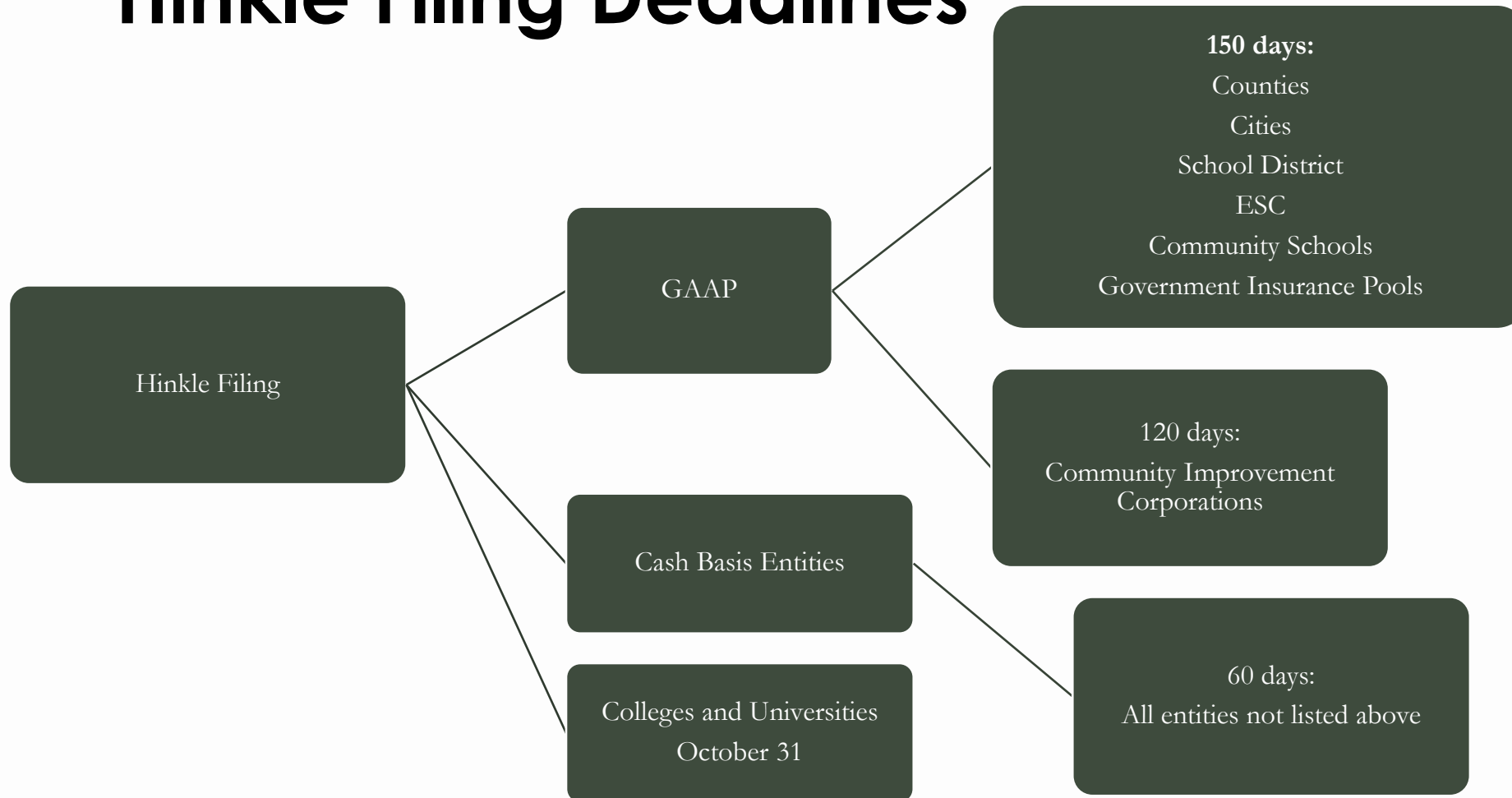
Common Noncompliance Citation

Ohio Revised Code §5705.39 states that 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.

Common Noncompliance Citation

Ohio Revised Code Section 117.38 states, in part, cash-basis entities 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. The report shall contain the amount of: (A) receipts, and amounts due from each source; (B) expenditures for each purpose; (C) income of any public service industry that the entity owns or operates, as well as the costs of ownership or operation; and (D) public debt of each taxing district, the purpose of the debt, and how the debt will be repaid. Also, the public office must publish notice in a local newspaper stating the financial report is available for public inspection at the office of the chief fiscal officer.

Hinkle Filing Deadlines



Annual Filing Resources

The screenshot shows the Ohio Auditor of State website at <https://www.ohioauditor.gov>. The navigation bar includes 'AUDITS', 'LOCAL GOVERNMENTS', 'OPEN GOVERNMENT', 'TRAINING', 'RESOURCES', 'CONTACTS', 'ABOUT', and 'NEWSROOM'. The 'LOCAL GOVERNMENTS' dropdown menu is open, listing various resources. The 'Reference Materials' option is highlighted with a red box. Other options in the menu include 'Local Government Services (LGS)', 'LOCAL GOVERNMENT RESOURCES', 'New Fiscal Officers', 'Outgoing Officers', 'Cybersecurity', 'Financial Health Indicators (FHI)', 'Hinkle System Financial Reporting', 'Regional Councils of Governments (COGs)', 'Auditor of State Awards', 'Fiscal Distress', and 'UAN Overview'. The main content area features a search bar, a 'Report Fraud' button, and a 'Search Audits' button. A carousel slide is visible with the text: 'Partnership? Learn about this legal process for helping a client stabilize their finances and exit fiscal distress'. Below the carousel, a statistics section titled 'Since January 2019:' displays four metrics: 154 CONVICTIONS FOR FRAUD..., ON 360+ CHARGES, RESULTING IN..., 272 FINDINGS FOR RECOVERY, and \$28,529,126 TOTAL FINDINGS SO FAR... To the right, a 'SPEAK UP. STOP FRAUD.' section includes a 'Learn More >>' button. At the bottom, four featured articles are shown: 'New Fiscal Officers', 'Training Opportunities', 'Cybersecurity Policy', and 'Required Fraud Training'.

Annual Filing Resources



[🏠 Reference Materials](#)

Clients & IPA Firms

Frequently Asked Questions

- [GASB FAQs](#)
- [Library FAQs and Program Codes](#)
- [Other Accounting FAQs](#)

Financial Statement Shells & Notes

- [GAAP](#)
- [OCBOA](#)
- [Regulatory](#)
- [Specialized Footnotes](#)

Reference Materials

The Auditor of State's Office offers local governments and IPA firms a full range of professional consulting, accounting, and financial reporting resources.

OneOhio Receivable

[OneOhio Opioid Settlement Receivable Calculation \(xlsx\)](#)

Last updated 7-29-2024

Client Reference Material(s)

[Responsibilities of Those Charged with Governance \(pdf\)](#)

Annual Filing Resources

The screenshot shows the top navigation bar of the Ohio Auditor of State website. The bar is dark green with white text. On the left is the logo for Keith Faber, Ohio Auditor of State. To the right are several menu items with dropdown arrows: AUDITS, LOCAL GOVERNMENTS, OPEN GOVERNMENT, TRAINING, RESOURCES, CONTACTS, ABOUT, and NEWSROOM. Below the navigation bar is a light gray section containing a search bar on the left, and three buttons on the right: a red 'Report Fraud' button, a blue 'Search Audits' button, and a white 'eServices Login' button with a right-pointing arrow. The 'eServices Login' button is highlighted with a red rectangular border. Below this section is a news article snippet. It features a photograph of a wooden gavel on a book. To the right of the photo is the article title: 'Scioto County Commissioner and his wife indicted in alleged kickback scheme involving Southern Ohio Port Authority'. Below the title is a short summary: 'The criminal counts, all felonies, include engaging in a pattern of corrupt activity, theft in office, money laundering, aggravated theft, tampering with evidence, forgery, and filing fraudulent returns.' At the bottom of the snippet is a blue link 'More Details' with a right-pointing arrow. Navigation arrows (left and right) are visible on the left and right sides of the snippet, and a set of five dots with the third one highlighted in blue is at the bottom center.

OHIO AUDITOR OF STATE
KEITH FABER

AUDITS ▾ LOCAL GOVERNMENTS ▾ OPEN GOVERNMENT ▾ TRAINING ▾ RESOURCES ▾ CONTACTS ▾ ABOUT ▾ NEWSROOM ▾

Search...

Report Fraud

Search Audits

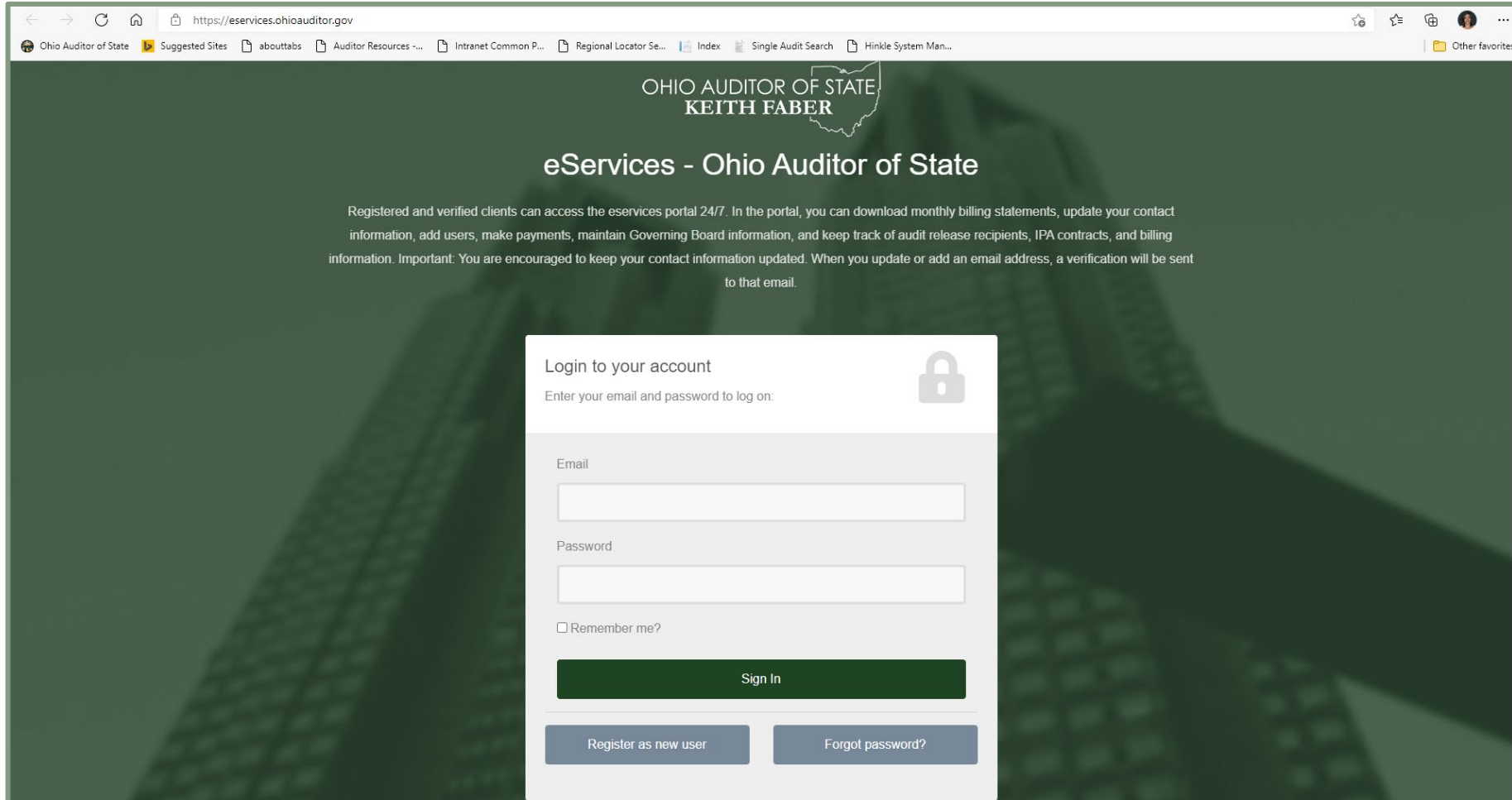
eServices Login →

Scioto County Commissioner and his wife indicted in alleged kickback scheme involving Southern Ohio Port Authority

The criminal counts, all felonies, include engaging in a pattern of corrupt activity, theft in office, money laundering, aggravated theft, tampering with evidence, forgery, and filing fraudulent returns.

[More Details →](#)

Annual Filing Resources



The screenshot shows a web browser window with the URL <https://eservices.ohioauditor.gov>. The page header includes the Ohio Auditor of State logo and the name Keith Faber. The main heading is "eServices - Ohio Auditor of State". Below this, a paragraph explains that registered and verified clients can access the portal 24/7 to download billing statements, update contact information, add users, make payments, and maintain Governing Board information. A central login form titled "Login to your account" contains fields for "Email" and "Password", a "Remember me?" checkbox, and buttons for "Sign In", "Register as new user", and "Forgot password?".

OHIO AUDITOR OF STATE
KEITH FABER

eServices - Ohio Auditor of State

Registered and verified clients can access the eservices portal 24/7. In the portal, you can download monthly billing statements, update your contact information, add users, make payments, maintain Governing Board information, and keep track of audit release recipients, IPA contracts, and billing information. Important: You are encouraged to keep your contact information updated. When you update or add an email address, a verification will be sent to that email.

Login to your account

Enter your email and password to log on:

Email

Password

Remember me?

Sign In

Register as new user Forgot password?

Annual Filing Resources



Search Site



Search Audits

eServices Login

AUDITS

LOCAL GOVERNMENT

OPEN GOVERNMENT

TRAININGS

RESOURCES

CONTACT US

ABOUT

NEWSROOM



Richland County public-integrity award

Jodie Schumacher received the award for her dedication to holding accountable those who...

READ MORE

- IPA Resources
- Reference Materials
- Federal
- Publications & Manuals
- Technical Bulletins
- Procurement Opportunities
- External Links
- Required Filings & Notifications
- Ohio Checkbook

MAKE A PAYMENT

- eServices
- eServices Login

KIDS CORNER

- Student Center

Since January 2019:



130

CONVICTIONS



ON 280

CHARGES



239

FINDINGS



\$20,931,482

TOTAL FINDINGS

Annual Filing Resources

The screenshot displays the Ohio Auditor of State eServices portal. At the top, the Ohio Auditor of State logo for Keith Faber is visible. The current balance is \$0.00, and the Hinkle Filing Status is 'Filing Required'. A navigation sidebar on the left includes links for Home, Statements, Make a Payment, Account Activity, Audit History/StaRS, IPA Contracts, Hinkle System (Annual Financial Filing), My Profile, Document Center, Contact Us, and Admin. The main content area features a 'Billing Information' section with a table of account details and buttons for 'Make a Payment', 'View Statements', and 'View Recent Activity'. Below this is an 'Announcements' section with two entries: one dated 11/23/2021 regarding contact information updates and another dated 04/16/2021 regarding electronic communication methods.

OHIO AUDITOR OF STATE
KEITH FABER

\$0.00
Current Balance

! HINKLE FILING STATUS:
Filing Required

Logout Admin

Home

Statements

Make a Payment

Account Activity

Audit History/StaRS

IPA Contracts

Hinkle System
Annual Financial Filing

My Profile

Document Center

Contact Us

Admin

Welcome, [Redacted]

Billing Information

Current Balance:	\$0.00	Make a Payment
Past Due Amount:	\$0.00	View Statements
Last Payment Posted On:	N/A	View Recent Activity

Announcements

11/23/2021

On April 16, 2021, we notified you of an update in your AOS eServices account to enable your entity to provide and maintain current contact information for your entity. At that time, we asked that you review your entity's profile information, make any necessary updates to reflect current contact information, and update information as changes occur in the future.

Our office will begin to use the contact information in the "Audit Release Recipients" tab in the "My Profile" section of your entity's eServices account to email your entity's recipients in advance of issuance of audit or other reports for your entity from our office. Our office is statutorily required to distribute the report to certain officials. Those officials are identified by position in the "Audit Release Recipients" tab and must be completed before a report release can occur. If any of these positions (other than legal counsel) are vacant, you may designate the position as vacant within the tab until the position is filled. The email address for each recipient must be unique. Every statutorily required recipient's individual email address should be provided in the tab to ensure communications from our office are received. If a statutorily required recipient (other than legal counsel) does not have an individual email account, that official can waive notification of report releases. Ensure you confirm with the individual that he/she cannot provide an email address before identifying the official as waiving communication.

IMPORTANT: Please verify, complete and/or update the information in the tabs under the "My Profile" tab as soon as possible.

04/16/2021

Over the past several years, the AOS has been transitioning our method of contact with your entity to an electronic process via email and eServices. With the pandemic requiring many people to work from various locations, the ability to contact your entity electronically has become even more important.

Annual Filing Resources

The screenshot displays the Auditor of State's client portal interface. At the top left, the logo for the Auditor of State, Keith Faber, is visible. The top navigation bar includes a balance indicator showing '\$0.00 Current Balance', a 'HINKLE FILING STATUS: Filing Required' notification, and a 'Logout' button. A central message states: 'We see you are listed as a contact for multiple entities! Click the [Change Client Account] button to switch between the different accounts!'. A red box highlights the 'Change Client Account' button, which includes a right-pointing arrow icon. Below this, the 'Billing Information' section shows 'Current Balance: \$0.00', 'Past Due Amount: \$0.00', and 'Last Payment Posted On: N/A'. To the right of this section are buttons for 'Make a Payment', 'View Statements', and 'View Recent Activity'. The 'Announcements' section lists four dates with corresponding messages: 3/28/2025, 3/25/2024, 1/19/2024, and 3/1/2023. A vertical sidebar on the left contains menu items such as 'Home', 'Account', 'Billing', 'Filing', and 'Reports'.

Annual Filing Resources

OHIO AUDITOR OF STATE
KEITH FABER

\$0.00
Current Balance

HINKLE FILING STATUS:
Filing Required

Logout Admin

Home

Statements

Make a Payment

Account Activity

Audit
History/StaRS

IPA Contracts

Hinkle System
Annual Financial Filing + FHI

My Profile

Welcome,

Last visit: Nov 2 2022 9:13AM

Billing Information

Current Balance:	\$0.00	Make a Payment
Past Due Amount:	\$0.00	View Statements
Last Payment Posted On:	N/A	View Recent Activity

Announcements

10/26/2022

You can now pay your monthly invoice through eServices using an ECheck. These electronic payments typically post to client accounts within 48 hours. There are no fees associated with electronic payments, and the Auditor of State's Office does not store banking information in the payment portal as an added security measure. As we transition to electronic payments as the main payment method,

Annual Filing Resources

OHIO AUDITOR OF STATE
KEITH FABER

\$0.00
Current Balance

HINKLE FILING STATUS:
Filing Required

Home
Statements
Make a Payment
Account Activity
Audit History/StaRS
IPA Contracts
Hinkle System
Annual Financial Filing + FHI
My Profile
Document Center

Hinkle System




The Hinkle System is an application that allows entities to file financial statement, debt, and demographic data to the Auditor of State (AOS) to satisfy the filing that is required by state law.

What to expect
To access the Hinkle System click the [Begin Filing] button below. *(See under the Filing Link column.)*
To view your entity's annual filing, click on the PDF icon next to the applicable year. *(See under the View column.)*
After your submission is complete, you can view the documents you've loaded and your Hinkle System filing information.

For additional guidance, refer to the [AOS Financial Reporting](#) page or read the [AOS Bulletin 2015-007](#).
You can also reach out to AOS by filling out this [Inquiry Form](#) with further questions.

* Not applicable to UAN clients unless they have opted out of UAN filing on entity's behalf or wish to request a filing extension.

Only the "Billing Contact," "Hinkle System Reporting," and "Hinkle System Reporting + eServices" users may view an active Hinkle System filing link or share the link with financial statement preparers.

View	Year End	Status	Filing Link*	Share Link*
	12/31/2025	Not Started	Begin Filing	Share
	12/31/2024	Submitted		
	12/31/2023	Submitted		

Common Internal Control Deficiencies

Common Internal Control Deficiencies

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Common Internal Control Deficiencies

Ohio Admin. Code § 117-2-02-(C) (1) requires all local public offices to integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system in order to effectively maintain the accounting and budgetary records. This means designing an accounting system to provide ongoing and timely information of appropriations.

The Township did not have a control procedure in place to ensure that appropriations, as authorized by the Board and the County Auditor, were reconciled to the appropriations posted to the accounting system for both 2025 and 2024. This resulted in incorrect amounts being posted to the accounting system and information available to Township officials to monitor year-to-date total comparison of budgeted amounts versus actual amounts was not accurate. The budgetary footnote reflects all adjustments.

Common Internal Control Deficiencies

The bank balance in the account at December 31, 2024 was \$27,114 and the following issues were identified related to the payroll account reconciliation:

- The payroll account outstanding checks from the accounting system totaled \$28,026 at December 31, 2024, but the Village used an unsupported amount of \$25,957 on the bank reconciliation.
- The payroll account outstanding checks from the accounting system included items totaling \$1,508 that actually cleared the bank account prior to year-end and would not be outstanding checks.
- The payroll account outstanding checks from the accounting system included items totaling \$11,817 that did not clear the bank account in this amount on the January 2025 bank statement.

We also identified the following errors not related to the payroll account on the Village's bank reconciliation at December 31, 2024:

- The Village recorded a receipt in the amount of \$959 for 2024 and was carrying this as a reconciling item on the December 31, 2024 bank reconciliation; however, the check related to this receipt was not received and deposited into the bank until January 14, 2025.
- An unreconciled variance of \$186 was identified by the Village on the bank reconciliation at December 31, 2024.
- The Village carried a balance of \$50,712 for a certificate of deposit (CD) on its accounting system and the actual balance of the CD at December 31, 2024 was \$51,570, resulting in a difference of \$858.

Common Internal Control Deficiencies

During our testing of water revenue charges for services, we noted the following:

In 2021:

- Billing errors for fifteen out of thirty water bills tested, or 50%, totaling \$417 of known errors.

In 2020:

- The deposit on July 17, 2020, was \$170 more than batch total amounts which was comprised of batch totals from July 10, 2020, and July 14, 2020.
- The deposit on December 9, 2020, was \$250 less than batch total amount which was comprised of the batch total from December 7, 2020.
- Village employee's account was adjusted \$112 without valid explanation.

In 2019:

- The deposit on November 20, 2019, was \$48 less than batch total amount which was comprised of the batch total from November 19, 2019.
- A billing error for one out of fifty-one water bills tested, or 2%, in the amount of \$11 of known error.
- Village employee's account was adjusted \$16 without valid explanation.
- A customer's billing stub did not indicate the amount paid by a customer.

Common Internal Control Deficiencies

When designing the public office's system of internal control and the specific control activities, management should consider ensuring that all transactions are properly authorized in accordance with management's policies, ensuring accounting records are properly designed, planning for adequate segregation of duties or compensating controls, verifying the existence and valuation of fund balances and periodically reconciling them to the accounting records, and performing analytical procedures to determine the reasonableness of financial data.

Due to a small staff, the Fiscal Officer receives various payments to the Township, prepares the Township deposits, records receipt (deposit) information into the Township accounting system, transports the Township bank deposits to the designated depository, and reconciles the Township accounting system to the bank statement monthly. The Fiscal Officer also receives Township bills, writes and signs checks, mails all payments, and handles all payroll information.

Common Internal Control Deficiencies

The Township did not have a Disaster Recovery Plan in place to recover from a disaster which impacts their data processing capabilities.

A Disaster Recovery Plan should be developed, documented, tested and maintained. This plan should identify arrangements for contingency data processing on compatible hardware and software; key individuals to be contacted and their role in the recovery; and the location of backup data and source documents. Several copies of this plan should be kept off-site in the event that the on-site copies are destroyed during a disaster. In addition, the plan should be updated and tested periodically to ensure that it is current.



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