



OHIO AUDITOR OF STATE
KEITH FABER



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Village of New Alexandria
Jefferson County
202 Chapel Hill Road
Mingo Junction, Ohio 43938

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 New Alexandria, Jefferson County, (the Village) for the years ended December 31, 2018 and 2017.

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, 2018 and 2017.

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. We noted that the Ohio Public Employees Retirement System (OPERS) and Federal tax withholdings were not remitted timely at December 31, 2018. This resulted in the Village being charged a small late fee. The Village Clerk/Treasurer should take the necessary steps to remit all withholdings timely.
2. We examined the bank reconciliation prepared as of December 31, 2018. It included an unexplained reconciling item of \$360. The Clerk-Treasurer explained variance as timing of interest received. There was also no documentation of the governing board review of the bank statement.

Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. Unidentified differences result in inaccurate fund cash balance information, and conceivably could cause deficit spending. The Clerk-Treasurer should review transactions recorded since the last reconciliation and correct the error.

Also, the Village's small size requires governing board involvement with critical accounting processes (such as bank reconciliation) to compensate for the inability to segregate these duties. The absence of these reviews may be a material weakness in internal accounting control, resulting in inaccurate cash balances, or even undetected theft.

3. We reviewed the annual financial statement filings for the periods ending December 31, 2018 and 2017 and noted the Village filed each year on May 17, 2019 which was beyond the filing deadline of March 1, 2019 and 2018, respectively.
4. For the periods ending December 31, 2018 and 2017, the Village failed to certify ending balances with the County Auditor and failed to adopt an appropriation resolution.

Current Status of Matters Reported in our Prior Engagement

5. In addition to the late tax remittances reported in item 1 above, annual financial statements filings in step 3 above, and budgetary matters reported in item 4 above, our prior audit for the years ended December 31, 2016 and 2015 included comments for receipts not being posted in the correct year and amounts from the Village's cash journal were not transferred correctly to the annual financial statement filing. The Village posted all receipts in the proper year for the periods ending December 31, 2018 and 2017 and tracing amounts from the Village's ledgers to the annual financial statement filing was not part of our testing procedures.



Keith Faber
Auditor of State

Columbus, Ohio

August 23, 2019

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VILLAGE OF NEW ALEXANDRIA

JEFFERSON COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 5, 2019**