



**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



**JIM PETRO
AUDITOR OF STATE**

STATE OF OHIO

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

INDEPENDENT ACCOUNTANTS' REPORT

Springfield Township
Hamilton County
9150 Winton Road
Cincinnati, Ohio 45231

To the Board of Trustees:

We have audited the accompanying financial statements of Springfield Township, Hamilton County, Ohio (the Township), as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Township as of December 31, 2000 and 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2001, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the Audit Committee, management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

July 11, 2001

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts:				
Local Taxes	\$164,092	\$5,979,010	\$0	\$6,143,102
Intergovernmental	2,421,383	1,140,644	119,912	3,681,939
Special Assessments	9,907	510		10,417
Charges for Services	0	29,562		29,562
Licenses, Permits, and Fees	6,476	7,422		13,898
Fines, Forfeitures, and Penalties	34,244	12,402		46,646
Earnings on Investments	533,331	7,061		540,392
Other Revenue	98,191	86,528		184,719
	<u>3,267,624</u>	<u>7,263,139</u>	<u>119,912</u>	<u>10,650,675</u>
Cash Disbursements:				
Current:				
General Government	1,306,440			1,306,440
Public Safety	40,598	5,956,438		5,997,036
Public Works	189,567	1,365,762		1,555,329
Health	14,797	1,650		16,447
Conservation - Recreation	212,644			212,644
Miscellaneous		37,294		37,294
Debt Service:				
Redemption of Principal	78,417	231,500		309,917
Interest and Fiscal Charges	21,173	74,089		95,262
Capital Outlay	1,147,480	433,474	623,090	2,204,044
	<u>3,011,116</u>	<u>8,100,207</u>	<u>623,090</u>	<u>11,734,413</u>
Total Receipts Over/(Under) Disbursements	<u>256,508</u>	<u>(837,068)</u>	<u>(503,178)</u>	<u>(1,083,738)</u>
Other Financing Receipts/(Disbursements):				
Proceeds from OPWC Loan			402,542	402,542
Transfers-In	1,130	21,650	96,450	119,230
Transfers-Out	(118,100)		(1,130)	(119,230)
Other Sources	10,119	208,949		219,068
	<u>(106,851)</u>	<u>230,599</u>	<u>497,862</u>	<u>621,610</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	149,657	(606,469)	(5,316)	(462,128)
Fund Cash Balances, January 1	4,318,870	3,992,563	95,446	8,406,879
Fund Cash Balances, December 31	<u>\$4,468,527</u>	<u>\$3,386,094</u>	<u>\$90,130</u>	<u>\$7,944,751</u>
Reserve for Encumbrances, December 31	<u>\$464,885</u>	<u>\$479,205</u>	<u>\$13,330</u>	<u>\$957,420</u>

The notes to the financial statements are an integral part of this statement.

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:					
Local Taxes	\$144,523	\$5,925,053	\$0	\$0	\$6,069,576
Intergovernmental	2,553,262	1,035,237		301,307	3,889,806
Special Assessments	13,843	496			14,339
Charges for Services		33,912			33,912
Licenses, Permits, and Fees	10,845	2,031			12,876
Fines, Forfeitures, and Penalties	3,477	19,466			22,943
Earnings on Investments	452,556	8,644			461,200
Other Revenue	173,110	219,875			392,985
Total Cash Receipts	<u>3,351,616</u>	<u>7,244,714</u>	<u>0</u>	<u>301,307</u>	<u>10,897,637</u>
Cash Disbursements:					
Current:					
General Government	1,134,554	52,751			1,187,305
Public Safety	540	5,127,959			5,128,499
Public Works	93,895	675,967			769,862
Health	14,754				14,754
Human Services	48,420	3,704			52,124
Conservation - Recreation	183,539	30,485			214,024
Miscellaneous	79,079	123,543			202,622
Debt Service:					
Redemption of Principal		231,500	78,417		309,917
Interest and Fiscal Charges		83,340	24,701		108,041
Capital Outlay	648,501	1,320,829		301,307	2,270,637
Total Cash Disbursements	<u>2,203,282</u>	<u>7,650,078</u>	<u>103,118</u>	<u>301,307</u>	<u>10,257,785</u>
Total Receipts Over/(Under) Disbursements	<u>1,148,334</u>	<u>(405,364)</u>	<u>(103,118)</u>	<u>0</u>	<u>639,852</u>
Other Financing Receipts/(Disbursements):					
Transfers-In		64,000	103,118		167,118
Transfers-Out	(167,118)				(167,118)
Other Sources	27				27
Total Other Financing Receipts/(Disbursements)	<u>(167,091)</u>	<u>64,000</u>	<u>103,118</u>	<u>0</u>	<u>27</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>981,243</u>	<u>(341,364)</u>	<u>0</u>		<u>639,879</u>
Fund Cash Balances, January 1	<u>3,337,627</u>	<u>4,333,927</u>		<u>95,446</u>	<u>7,767,000</u>
Fund Cash Balances, December 31	<u>\$4,318,870</u>	<u>\$3,992,563</u>	<u>\$0</u>	<u>\$95,446</u>	<u>\$8,406,879</u>
Reserve for Encumbrances, December 31	<u>\$420,108</u>	<u>\$732,037</u>	<u>\$0</u>	<u>\$76,800</u>	<u>\$1,228,945</u>

The notes to the financial statements are an integral part of this statement.

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Springfield Township, Hamilton County, Ohio (the Township), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected, three-member Board of Trustees. The Township provides general governmental services, including road and bridge maintenance, fire protection and emergency medical services.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Certificates of deposit and repurchase agreements are valued at cost.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Police District Fund - This fund receives property tax money for the operation of the police department within the Township.

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fire District Fund - This fund receives property tax money for the operation of the fire department within the Township.

Road District Fund - This fund receives property tax money to pay for constructing, maintaining, and repairing the Township Roads.

3. Debt Service Fund

The Debt Service Fund is used to accumulate resources for the payment of bonds and note indebtedness. The Township had the following significant Debt Service Fund:

General Bond Retirement-Administration Building Fund - This fund receives transfers from the General Fund to retire municipal building renovation debt.

4. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Fund:

Capital Projects Fund - This fund received an Issue II loan from the State and Community Development money from the County for Township capital projects.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year-end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be reappropriated.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Township.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	(\$202,249)	(\$112,866)
Certificates of deposit	<u>5,600,000</u>	<u>6,800,000</u>
Total deposits	<u>5,397,751</u>	<u>6,687,134</u>
Repurchase Agreement	<u>2,547,000</u>	<u>1,719,745</u>
Total investments	<u>2,547,000</u>	<u>1,719,745</u>
Total deposits and investments	<u><u>\$7,944,751</u></u>	<u><u>\$8,406,879</u></u>

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by the financial institution's public entity deposit pool.

Investments: Investments in the repurchase agreement are not evidenced by securities that exist in physical or book-entry form.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,953,565	\$3,278,873	\$325,308
Special Revenue	7,406,454	7,493,738	87,284
Debt Service	99,590	0	(99,590)
Capital Projects	<u>97,680</u>	<u>618,904</u>	<u>521,224</u>
Total	<u><u>\$10,557,289</u></u>	<u><u>\$11,391,515</u></u>	<u><u>\$834,226</u></u>

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,281,561	\$3,594,101	\$1,687,460
Special Revenue	9,577,144	8,579,412	997,732
Debt Service	0	0	0
Capital Projects	191,896	637,550	(445,654)
Total	<u>\$15,050,601</u>	<u>\$12,811,063</u>	<u>\$2,239,538</u>

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,857,145	\$3,351,643	\$1,494,498
Special Revenue	6,859,269	7,308,714	449,445
Debt Service	103,118	103,118	0
Capital Projects	0	301,307	301,307
Total	<u>\$8,819,532</u>	<u>\$11,064,782</u>	<u>\$2,245,250</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$4,600,822	\$2,790,508	\$1,810,314
Special Revenue	9,389,633	8,382,115	1,007,518
Debt Service	103,118	103,118	0
Capital Projects	95,446	378,107	(282,661)
Total	<u>\$14,189,019</u>	<u>\$11,653,848</u>	<u>\$2,535,171</u>

Contrary to Ohio law, a special fund was not established and the budgetary requirements were not met for the Ohio Public Works Loan received from the State and the Community Development money received from the County.

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

4. PROPERTY TAX (Continued)

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

5. DEBT

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
1996 Township Real Estate Acquisition & Construction Note	\$392,083	4.50%
1997 Township Tax Anticipation Note	1,620,500	4.00%
1993 Equipment Lease Assumption	98,812	5.03%
2000 Ohio Public Works Commission Loan	\$402,542	0.00%
Total	\$2,513,937	

The Township Real Estate Acquisition and Construction Note was issued to retire a note previously issued to acquire certain real estate for Township use and provide additional funds to renovate and construct an addition.

The Township Tax Anticipation Note was issued in anticipation of the collection of an additional voted tax at a rate not exceeding one mill for the purpose of providing necessary funds for construction, reconstruction, resurfacing, and repair of streets, roads, and bridges.

The Equipment Lease Assumption was a lease assumed by the Township when several volunteer fire departments merged into one with the Township. This lease was for three fire trucks.

The Ohio Public Works Commission Loan was for repair of the Covered Bridge Project and several smaller clean-up projects within the Township.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	1996 Township Real Estate Acquisition & Construction Note	1997 Township Tax Anticipation Note	1993 Equipment Lease Assumption
2001	\$96,060	\$297,222	\$68,673
2002	92,532	287,830	34,336
2003	89,003	278,443	0
2004	85,474	269,055	0
2005	81,945	259,667	0
Subsequent	0	491,163	0
Total	\$445,014	\$1,883,380	\$103,009

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

5. DEBT (Continued)

The Township entered into a loan agreement with the Ohio Public Works Commission (OPWC) for the Covered Bridge Road Improvement Project. The OPWC has approved up to \$547,000 to loan to the Township for this project. The loan will be repaid in semiannual installments of \$13,675 over 20 years. Payment begins either January 1 or July 1 after the project is complete or all money has been disbursed under the agreement, whichever date is earlier. As of December 31, 2000 all money had not been disbursed and the project was not complete.

6. RETIREMENT SYSTEMS

The Township's certified Fire Fighters belong to the Police and Firemen's Disability and Pension Funds (PFDPF). Other employees belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF and PERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, members of PFDPF contributed 10% of their wages to the PFDPF. The Township contributed an amount equal to 19.5% of their wages. PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 10.84% in 2000 and 13.55% in 1999 of participants' gross salaries. The Township has paid all contributions required through December 31, 2000.

7. RISK POOL MEMBERSHIP

The Township belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association with over 600 governmental entity members providing a formalized, jointly administered self-insurance risk management program and other administrative services.

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible.

The Plan uses conventional insurance coverages and reinsures these coverages 100%, rather than using a risk pool of member funds to pay individual and collective losses. Therefore, the individual members are only responsible for their self-retention (deductible) amounts which vary from member to member.

The Township also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

8. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Springfield Township
Hamilton County
9150 Winton Road
Cincinnati, Ohio 45231

To the Board of Trustees:

We have audited the accompanying financial statements of Springfield Township, Hamilton County, Ohio (the Township), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated July 11, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2000-40431-001.

We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated July 11, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings as item 2000-40431-002.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

Springfield Township
Hamilton County
Report on Compliance and on Internal Control Required by
Government Auditing Standards
Page 2

We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated July 11, 2001.

This report is intended for the information and use of the Audit Committee, management, and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

July 11, 2001

**SPRINGFIELD TOWNSHIP
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2000 AND 1999**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2000-40431-001

Noncompliance Citation

Ohio Rev. Code, Section 5705.09(F), requires a special fund to be established for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose.

As further discussed in Auditor of State Bulletin 2000-008, the fiscal officer shall record the appropriations in accordance with the terms and conditions of the grant or project agreement. In addition, prior to recording the appropriations, Ohio Rev. Code, Section 5705.40, requires the legislative authority to pass a resolution amending its appropriation measure.

The Township did not established the required funds for the following payments made on behalf of the Township: Hamilton County made payments of community development money to contractors on behalf of the Township in the amounts of \$119,912 and \$301,307 in fiscal years 2000 and 1999, respectively. The State also loaned the Township Ohio Public Works money for payments made to contractors on behalf of the Township in the amount of \$405,542 in fiscal year 2000.

The grants and loan have been recorded on the audited financial statements for the years ended December 31, 2000 and 1999.

We recommend the Township follow the guidance in Auditor of State Bulletin #2000-008 for fund establishment and budgetary requirements.

FINDING NUMBER 2000-40431-002

Reportable Condition - Cash Reconciliations

The Township did not have supporting documentation for outstanding checks from the old computer system that was entered as an adjusting factor on the UAN bank reconciliations for January 2000 through May 2000. There also was not any documentation on when the checks were voided from the UAN system. The UAN system does not allow you to put in detailed descriptions for any adjusting factors made to the bank reconciliation. Without supporting documentation, the validity of the adjustments nor the amounts can be verified. Reconciliations are an effective tool to help management determine the completeness of recorded transactions and whether all recorded transactions have been deposited with the financial institution. We recommend the Township reconcile the account on a monthly basis and maintain documentation supporting reconciling items. Any variances should be immediately investigated and resolved.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

SPRINGFIELD TOWNSHIP

HAMILTON 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
AUGUST 9, 2001**