



**VILLAGE OF QUINCY
LOGAN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

VILLAGE OF QUINCY
LOGAN COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

Village of Quincy
Logan County
P.O. Box 126
Quincy, Ohio 43343

To the Village Council:

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

We conducted our audit in accordance with generally accepted auditing standards 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 Village 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 of the Village of Quincy, Logan County, 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 May 21, 2001 on our consideration of the Village'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 management, Village Council, 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

May 21, 2001

**VILLAGE OF QUINCY
LOGAN COUNTY**

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

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Project</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$32,193	\$32,494		\$64,687
Intergovernmental Receipts	47,032	26,184		73,216
Earnings on Investments	19,758	2,674		22,432
Miscellaneous	5,771			5,771
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	104,754	61,352		166,106
Cash Disbursements:				
Current:				
Security of Persons and Property	29,083	339		29,422
Leisure Time Activities	11,008			11,008
Transportation		18,447		18,447
General Government	32,116			32,116
Capital Outlay	2,093	30,922	14,313	47,328
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	74,300	49,708	14,313	138,321
Total Receipts Over/(Under) Disbursements	30,454	11,644	(14,313)	27,785
Fund Cash Balances January 1	139,456	111,523	24,220	275,199
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	<u>\$169,910</u>	<u>\$123,167</u>	<u>\$9,907</u>	<u>\$302,984</u>

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

**VILLAGE OF QUINCY
LOGAN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGE IN FUND CASH BALANCE
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts:	
Charges for Services	\$217,737
Miscellaneous	<u>70</u>
Total Operating Cash Receipts	<u>217,807</u>
Operating Cash Disbursements:	
Personal Services	23,823
Fringe Benefits	9,393
Contractual Services	15,413
Supplies and Materials	44,550
Capital Outlay	125,494
Miscellaneous	<u>121</u>
Total Operating Cash Disbursements	<u>218,794</u>
Operating (Loss)	(987)
Fund Cash Balances, January 1	<u>235,605</u>
Fund Cash Balances, December 31	<u><u>\$234,618</u></u>

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

**VILLAGE OF QUINCY
LOGAN 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>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property Tax and Other Local Taxes	\$32,051	\$32,349		\$64,400
Intergovernmental Receipts	98,427	26,752		125,179
Earnings on Investments	11,903	4,264		16,167
Miscellaneous	6,600	2,886		9,486
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	148,981	66,251		215,232
Cash Disbursements:				
Current:				
Security of Persons and Property	24,392	333		24,725
Leisure Time Activities	8,877			8,877
Transportation		19,974		19,974
General Government	32,208			32,208
Capital Outlay	5,261	45,512	2,500	53,273
	<hr/>	<hr/>	<hr/>	<hr/>
Total Disbursements	70,738	65,819	2,500	139,057
Total Receipts Over/(Under) Disbursements	78,243	432	(2,500)	76,175
Fund Cash Balances January 1	61,213	111,091	26,720	199,024
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	<u>\$139,456</u>	<u>\$111,523</u>	<u>\$24,220</u>	<u>\$275,199</u>

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

**VILLAGE OF QUINCY
LOGAN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGE IN FUND CASH BALANCE
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Proprietary Fund Type
	Enterprise
Operating Cash Receipts:	
Charges for Services	\$174,126
Interest	1,779
Miscellaneous	6,209
Total Operating Cash Receipts	182,114
Operating Cash Disbursements:	
Personal Services	18,574
Fringe Benefits	8,942
Contractual Services	16,922
Supplies and Materials	23,647
Capital Outlay	58,337
Miscellaneous	289
Total Operating Cash Disbursements	126,711
Operating Income	55,403
Fund Cash Balances, January 1	180,202
Fund Cash Balances, December 31	\$235,605

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

**VILLAGE OF QUINCY
LOGAN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Village of Quincy, Logan County, (the Village) 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 Village is directed by a publicly-elected six-member Council. The Village provides general governmental services, including water and sewer utilities, and park operations (leisure time activities). The Village contracts with the Logan County Sheriff's department to provide security of persons and property.

The Village's management believes these financial statements present all activities for which the Village 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 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 Village uses fund accounting to segregate cash and investments that are restricted as to use. The Village 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 Fund

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 Village had the following significant Special Revenue Funds:

Street Construction, Maintenance and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining and repairing Village streets.

Street Levy Fund - This fund receives tax money to help repair Village streets.

**VILLAGE OF QUINCY
LOGAN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fire Levy Fund - This fund receives tax money to help construct and maintain a firehouse for the Village.

3. 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 Village had the following significant Capital Project Fund:

Wellhead Protection Plant Fund - This fund receives proceeds of Issue II grants.

4. Enterprise Funds

These funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Village had the following significant Enterprise Funds:

Water Fund - This fund receives charges for services from residents to cover the cost of providing this utility.

Sewer Fund - This fund receives charges for services from residents to cover the cost of providing this utility.

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 and object level of control, and appropriations may not exceed estimated resources. The Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Village did not encumber all commitments required by Ohio law.

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

**VILLAGE OF QUINCY
LOGAN 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 cash basis of accounting used by the Village.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Village 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	\$ 407,448	\$ 360,288
Certificates of deposit	<u>130,154</u>	<u>150,516</u>
Total deposits	<u>537,602</u>	<u>510,804</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.

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	\$ 95,000	\$ 104,754	\$ 9,754
Special Revenue	70,000	61,352	(8,648)
Capital Projects	0	0	0
Enterprise	<u>189,900</u>	<u>217,807</u>	<u>27,907</u>
Total	<u>\$ 354,900</u>	<u>\$ 383,913</u>	<u>\$ 29,013</u>

**VILLAGE OF QUINCY
LOGAN 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	\$ 234,456	\$ 74,300	\$ 160,156
Special Revenue	181,524	49,708	131,816
Capital Projects	24,220	14,313	9,907
Enterprise	425,505	218,794	206,711
Total	<u>\$ 865,705</u>	<u>\$ 357,115</u>	<u>\$ 508,590</u>

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 90,000	\$ 148,981	\$ 58,981
Special Revenue	72,000	66,251	(5,749)
Capital Projects	20,000	0	(20,000)
Enterprise	191,200	182,114	(9,086)
Total	<u>\$ 373,200</u>	<u>\$ 397,346</u>	<u>\$ 24,146</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 151,213	\$ 70,738	\$ 80,475
Special Revenue	183,091	65,819	117,272
Capital Projects	46,720	2,500	44,220
Enterprise	371,402	126,711	244,691
Total	<u>\$ 752,426</u>	<u>\$ 265,768</u>	<u>\$ 486,658</u>

Ohio law requires the fiscal office to certify that the amount required for any expenditure that 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 encumbrance. The Village did not obtain certification of the availability of funds.

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Village Council. 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.

Public utilities are also taxed on personal and real property located within the Village.

**VILLAGE OF QUINCY
LOGAN 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 Village.

5. DEBT

Debt outstanding at December 31, 2000 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
FHMA Sewer Mortgage Revenue Bonds	\$ 211,300	5.00%
Ohio Water Development Authority Loan	175,459	6.85%
Ohio Water Development Authority Loan	17,500	0.00%
Fire Safety Bonds	68,000	7.25%
Truck Note	<u>18,000</u>	4.15%
Total	<u>\$ 490,259</u>	

The Ohio Water Development Authority (OWDA) loan relates to the water tower and water system improvements completed in 1993 by the Village.

The FMHA Revenue Bonds relate to a sewer line project completed in 1987. The bond will be paid in annual installments based upon a predetermined amortization schedule.

The Fire Safety Bonds relate to the 1990 construction of a new firehouse. The loan will be paid in annual installments based upon a predetermined amortization schedule.

The Truck Note relates to a purchase during a 1998 of a new truck. The loan will be paid in annual installments based upon a predetermined amortization schedule.

The Village took out a planning loan from Ohio Water Development Authority (OWDA) for \$89,000 during 1997. There are no payments due on this loan until it is rolled over into a construction loan. The Village has five years to roll it over before the entire balance becomes due.

**VILLAGE OF QUINCY
LOGAN COUNTY**

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

5. DEBT (Continued)

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

Year ending December 31:	Mortgage Revenue Bonds	OWDA Loan	Fire Safety Bonds	Village Truck Loan
2001	\$ 25,550	\$ 20,285	\$ 9,930	\$ 6,747
2002	25,550	20,285	9,568	6,498
2003	24,800	20,285	10,205	6,249
2004	24,800	20,285	9,770	0
2005	25,050	20,285	9,335	0
2006 - 2010	123,550	96,425	49,135	0
2011 - 2015	57,550	88,925	0	0
2016 - 2020	0	44,463	0	0
Total	<u>\$ 306,850</u>	<u>\$ 331,238</u>	<u>\$ 97,943</u>	<u>\$ 19,494</u>

6. RETIREMENT SYSTEMS

Village officials and full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides 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 PERS contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries for January 1999 through June 2000 and an amount equal to 8.13% of participants' gross salaries for July through December 2000. The Village has paid all contributions required through December 31, 2000.

7. RISK MANAGEMENT

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Inland Marine
- Public Officials

The Village is uninsured for the following risks:

- Errors and omissions

The Village also provides health insurance coverage to its full-time employee through a private carrier.



STATE OF OHIO
OFFICE OF THE AUDITOR

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

Village of Quincy
Logan County
P.O. Box 126
Quincy, Ohio 43343

To the Village Council:

We have audited the accompanying financial statements of the Village of Quincy, Logan County, (the Village), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated May 21, 2001. We conducted our audit in accordance with generally accepted auditing standards 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 Village'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 the 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 2000-30246-001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Village'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 certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. 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 Village's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings as items 2000-30246-002, 2000-30246-003, and 2000-30246-004.

**Internal Control Over Financial Reporting
(Continued)**

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, of the reportable conditions described above, we consider item 2000-30246-002 to be a material weakness. 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 Village in a separate letter dated May 21, 2001.

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

Jim Petro
Auditor of State

May 21, 2001

VILLAGE OF QUINCY
LOGAN 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 2000-30246-001

Certification of Expenditures

Ohio Rev. Code Section 5705.41(D) states that no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriation fund free from any previous encumbrance.

This Section also provides an exception to this requirement:

If no certificate is issued at the time the contract or order is entered into, the fiscal officer may later certify that there were funds properly appropriated and in the treasury or in the process of collection and such funds are free from previous encumbrance both at the time the contract or order was entered into and at the time of payment. After certifying this, the fiscal officer may proceed to pay for such order or contract. If the amount involved is over \$1,000, the village must approve such payment within thirty days of the date of the fiscal officer's certification.

The Village did not comply with certification requirements and did not fulfill the requirements to the exception above for 54% of the tested expenditures during 1999 and 83% of the tested expenditures for 2000.

The Village should implement policies and procedures to comply with the certification requirement.

FINDING NUMBER 2000-30246-002

Issued Checks/Reporting

The Village Clerk records village financial activity on the Uniform Accounting Network (UAN) system, however all checks are currently manually written. As a result, there were instances in which the check number, vendor, and amounts on the financial reports did not match the actual check issued. In addition, some checks were written out of sequence. An error in typing on the check could result in the wrong vendor being paid, a vendor being paid incorrectly, or a check being written and not entered on the check register. The checks should agree with the check register, voucher, invoice, and vendor file, and agree to the data on the financial reports produced by UAN. Council should be provided with a detailed list of bills submitted for approval at Council meetings which should be maintained on file as an monitoring control. The UAN system has a feature which allows clerks to print checks through the on-line system. The clerk should utilize this feature to save time and improve accuracy of checks and reports. Due care, verification, and proper data entry should be taken to avoid errors/omissions, improper payments, and inaccurate financial reporting.

**VILLAGE OF QUINCY
LOGAN 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 2000-30246-003

Authorized Signatories

The Village's depository, Miami Valley Bank, had the clerk as the only authorized signatory. The checks issued during 1999 and 2000 were signed by the clerk, council members, and in some instances, a member of the Board of Public Affairs. The Council and Board of Public Affairs representative should sign the current signature card at the bank to agree with the current practices of the Village, which indicate the Clerk and Council members are dually to sign all checks. The bank should be made aware that the Village does not want checks to be accepted unless a signed signature card is on file for that individual. To prevent possible unauthorized check issuances and provide better internal controls, Council should confirm that current signature cards are on file at the bank whenever there are changes in the clerk and council members.

FINDING NUMBER 2000-30246-004

Monitoring of Financial Reporting

The Village Council needs current, accurate financial information in order to make informed financial decisions. The Village Council did not receive monthly financial reports, such as a fund balance report, budget-to-actual reports for revenues and expenditures, and bank reconciliations. The lack of monitoring could result in illegal expenditures or deficit spending. Village Council should monitor the financial condition of the entity through review of monthly reports prepared by the clerk.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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VILLAGE OF QUINCY

LOGAN 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
JULY 3, 2001**