



**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Report of Independent Accountants .....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999 .....	3
Notes to the Financial Statement .....	5
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	9
Schedule of Findings .....	11
Schedule of Prior Year Findings .....	15

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## REPORT OF INDEPENDENT ACCOUNTANTS

Wheeling Township  
Guernsey County  
5383 Guernsey Valley Rd.  
Kimbolton, Ohio 43749

To the Board of Trustees:

We have audited the accompanying financial statement of Wheeling Township, Guernsey County, Ohio (the Township), as of and for the year ended December 31, 1999. This financial statement is the responsibility of the Township's management. Our responsibility is to express an opinion on this financial statement 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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 statement 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 statement referred to above presents fairly, in all material respects, the combined fund cash balances of Wheeling Township, Guernsey County, as of December 31, 1999, and its combined cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 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 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

September 28, 2001

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**WHEELING TOWNSHIP  
GUERNSEY 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>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$17,598	\$12,218		\$29,816
Intergovernmental	14,954	77,004	\$15,255	107,213
Licenses, Permits, and Fees	126			126
Earnings on Investments	1,529			1,529
Other Revenue	1,299			1,299
	<u>35,506</u>	<u>89,222</u>	<u>15,255</u>	<u>139,983</u>
<b>Total Cash Receipts</b>				
<b>Cash Disbursements:</b>				
Current:				
General Government	29,972			29,972
Public Safety		4,345		4,345
Public Works	6,920	43,727		50,647
Health		50		50
Miscellaneous		499		499
Debt Service:				
Redemption of Principal			10,638	10,638
Interest and Fiscal Charges			5,162	5,162
	<u>36,892</u>	<u>48,621</u>	<u>15,800</u>	<u>101,313</u>
<b>Total Cash Disbursements</b>				
Total Cash Receipts Over/(Under) Cash Disbursements	(1,386)	40,601	(545)	38,670
Fund Cash Balances, January 1	<u>14,093</u>	<u>64,712</u>	<u>2,849</u>	<u>81,654</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$12,707</b></u>	<u><b>\$105,313</b></u>	<u><b>\$2,304</b></u>	<u><b>\$120,324</b></u>

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

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**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
DECEMBER 31, 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Wheeling Township, Guernsey County, (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, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Liberty Community Fire Department to provide fire services and Newcomerstown Emergency Rescue Squad, Inc., to provide ambulance services.

The Township's management believes this financial statement presents all activities for which the Township is financially accountable.

**B. Basis of Accounting**

This financial statement follows 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).

This statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. 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 Fund:

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining and repairing Township roads.

**3. Debt Service Funds**

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 Note Retirement Fund - This fund receives Gas Tax and Motor Vehicle License Tax money to retire the debt on road equipment.

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
DECEMBER 31, 1999  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. 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 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.

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

A summary of 1999 budgetary activity appears in Note 3.

**E. 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 statement.

**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:

	<b><u>1999</u></b>
Total demand deposits	<u>\$120,324</u>

**Deposits:** Deposits are insured by the Federal Deposit Insurance Corporation up to \$100,000.

At December 31, 1999, \$ 20,324 of deposits were not insured or collateralized, contrary to Chapter 135, Ohio Revised Code.

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
DECEMBER 31, 1999  
(Continued)**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the year ending December 31, 1999 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$28,515	\$35,506	\$6,991
Special Revenue	56,933	89,222	32,289
Debt Service	16,292	15,255	(1,037)
Total	\$101,740	\$139,983	\$38,243

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$49,391	\$36,892	\$12,499
Special Revenue	115,644	48,621	67,023
Debt Service	18,233	15,800	2,433
Total	\$183,268	\$101,313	\$81,955

The Township did not consistently obtain prior clerk's certification for disbursements in 1999, contrary to Ohio Rev. Code Section 5705.41(D).

**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 statement 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.

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.

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
DECEMBER 31, 1999  
(Continued)**

**5. DEBT**

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
Capital Lease	\$52,061	8%

The Capital Lease is for various road equipment for the Township and is held by Banc One Leasing Corporation.

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

Year ending December 31:	Capital Lease
2000	\$15,800
2001	15,800
2002	15,800
2003	15,800
Total	\$63,200

**6. RETIREMENT SYSTEMS**

The Township's officials and employee belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The plan provides retirement benefits, including postretirement 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 1999, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 1999.

**7. RISK MANAGEMENT**

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Public officials liability



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

Wheeling Township  
Guernsey County  
5383 Guernsey Valley Rd.  
Kimbolton, Ohio 43749

To the Board of Trustees:

We have audited the accompanying financial statement of Wheeling Township, Guernsey County, Ohio (the Township), as of and for the year ended December 31, 1999, and have issued our report thereon dated September 28, 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 statement is free of material misstatements, 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 1999-41030-001 through 1999-41030-006. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated September 28, 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 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 the Township's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statement. The reportable conditions are described in the accompanying Schedule of Findings as items 1999-41030-007 and 1999-41030-008.

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 statement 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. We consider the reportable condition identified above as item 1999-41030-007 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 Township in a separate letter dated September 28, 2001.

Wheeling Township  
Guernsey County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

This report is intended for the information and use of the 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

September 28, 2001

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 1999**

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

**FINDING NUMBER 1999-41030-001**

**Noncompliance Citation**

Ohio Rev. Code Section 5705.41(D)(1) states that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract 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.

The following exceptions to this basic requirement are provided by statute:

- A. Then and Now Certificate - This exception provides that, if the fiscal officer can certify that both at the time the contract or order was made and at the time that he is completing his certification, sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any encumbrance, the taxing authority can authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance. If approval is not made within 30 days, there is no legal liability on the part of the subdivision or taxing district.
- B. Amounts of less than \$1,000 may be paid by the fiscal officer without such affirmation of the taxing authority upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the taxing authority.

The Township did not obtain the Township Clerk's prior certification for forty-two percent of the transactions we tested, nor was there evidence of a "Then and Now" certificate being used by the former Township Clerk.

We recommend the Township obtain the Township Clerk's prior certification for all disbursements.

**FINDING NUMBER 1999-41030-002**

**Noncompliance Citation**

Ohio Rev. Code Section 135.18 states in part that the treasurer of a political subdivision must require the depository to provide as security an amount equal to the funds on deposit at all times. Such security may consist of federal deposit insurance, surety company bonds, or pledged securities.

During March, April, June, July, August, September, October, November, and December, the Township's checking account balance exceeded \$100,000 therefore exceeding the FDIC insurance coverage. The Township provided no evidence that pledged collateral was obtained to cover the amount in excess of \$100,000.

We recommend the Township obtain and retain evidence that pledged securities were obtained to cover balances in excess of FDIC coverage.

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 1999  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 1999-41030-003**

**Finding for Recovery**

Ohio Rev. Code Section 507.09, states that a Township Clerk shall be entitled to annual compensation of \$7,000(for terms of office beginning prior to May 8, 1996) when the Township's budget is between \$100,000 and \$250,000. Caroline Johnson was elected to a term beginning April 1, 1996 by the residents of Wheeling Township For calendar year 1999, Ms. Johnson was paid \$7,411. A recap of the overpayment is as follows:

1999 salary paid	\$7,411
1999 salary authorized	<u>7,000</u>
1999 overpayment	<u>\$ 411</u>

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued against Caroline Johnson, former Clerk and her surety company Ohio Government Risk Management Plan, jointly and severally, in the amount of \$411 and in favor of Wheeling Township.

**FINDING NUMBER 1999-41030-004**

**Finding for Recovery**

Ohio Rev. Code Section 505.24, states that a Board of Trustee shall be entitled to annual compensation of \$5,200(for terms of office beginning prior to May 8, 1996) when the Township's budget is between \$100,000 and \$250,000. Calvin Lafferty was appointed as a trustee on April 11, 1996 by the Guernsey County Probate Judge. For calendar year 1999, Mr. Lafferty was paid \$6,044. A recap of the overpayment is as follows:

1999 salary paid	\$6,044
1999 salary authorized	<u>5,200</u>
1999 overpayment	<u>\$ 844</u>

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued against Calvin Lafferty, Board of Trustee, Caroline Johnson, former Township Clerk and their surety company Ohio Government Risk Management Plan, jointly and severally, in the amount of \$844 and in favor of Wheeling Township.



**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 1999  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 1999-41030-005**

**Finding for Recovery**

Ohio Rev. Code Section 505.24, states that a Board of Trustee shall be entitled to annual compensation of \$5,872 when the Township's budget is between \$100,000 and \$250,000. Ivan Hickenbottom was elected to a term beginning January 1, 1998 by the residents of Wheeling Township. For calendar year 1999, Mr. Hickenbottom was paid \$6,044. A recap of the overpayment is as follows:

1999 salary paid	\$6,044
1999 salary authorized	<u>5,872</u>
1999 overpayment	<u>\$ 172</u>

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued against Ivan Hickenbottom, Board of Trustee, Caroline Johnson, former Township Clerk and their surety company Ohio Government Risk Management Plan, jointly and severally, in the amount of \$172 and in favor of Wheeling Township.

**FINDING NUMBER 1999-41030-006**

**Finding for Recovery**

Ohio Rev. Code Section 505.24, states that a Board of Trustee shall be entitled to annual compensation of \$5,872 when the Township's budget is between \$100,000 and \$250,000. Wilbur Galbraith was elected to a term beginning January 1, 1998 by the residents of Wheeling Township. For calendar year 1999, Mr. Gailbraith was paid \$6,044. A recap of the overpayment is as follows:

1999 salary paid	\$6,044
1999 salary authorized	<u>5,872</u>
1999 overpayment	<u>\$ 172</u>

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued against Wilbur Galbraith, Board of Trustee, Caroline Johnson, former Township Clerk and their surety company Ohio Government Risk Management Plan, jointly and severally, in the amount of \$172 and in favor of Wheeling Township.

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 1999  
(Continued)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENT  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

**FINDING NUMBER 1999-41030-007**

**Reportable Condition and Material Weakness**

The former Township Clerk was required to perform all accounting functions, which did not provide for an adequate segregation of duties. The Board of Trustees did not ask for, or receive, any financial reports from the former Township Clerk. The Board of Trustees do review the bills at each monthly meeting and make a motion to pay bills.

As a result, various posting errors occurred and monthly bank to book reconciliations went unprepared or were prepared with unidentifiable reconciling items. Although these unidentifiable reconciling items were not significant, it allowed the bank to book reconciliation to be incorrect over the course of the audit. In addition, the Township's records were declared unauditible by the State Auditors Office forcing the Township to reconstruct the accounting records.

We recommend the Board of Trustees have the Township Clerk prepare monthly for their review, the monthly bank reconciliation, fund status report, a budget-to-actual fund report and the monthly check register report. The Board of Trustees should review these reports and make document in the monthly minutes their approval of these reports. In addition, the Board of Trustees should periodically review the accounting records to ensure they are posted up to date.

**FINDING NUMBER 1999-41030-008**

**Reportable Condition**

The Township's receipting procedure does not provide that receipts be deposited in a timely manner. In some instances, the former Township Clerk only made deposits once a month.

As a result, revenues could be misplaced and lost. Approximately sixteen checks amounting to a total of \$17,298.09 from the Guernsey County Auditor during calendar year 1999 were not deposited in the bank account but receipted into the Township books during 1999. As a result of the former Township Clerk not properly handling these revenues, it costs the Township lost interest earnings for the revenue checks from Guernsey County that were not deposited.

We recommend the Township Clerk deposit all revenues in the Township's bank account as soon as possible. Upon our recommendation, the new Township Clerk contacted the Guernsey County Auditors Office concerning the reissue of the sixteen checks from calendar year 1999 that were never deposited and the County Auditor indicated that the County would reissue these checks. The Guernsey County Auditor reissued these checks and the Township Clerk deposited those monies on April 1, 2000. We considered the effects of this matter in forming our opinion on the Township's financial statements.

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 1999**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
1998-31030-001	Ohio Rev. Code Section 505.24 for a Trustee being over paid.	No	Not Corrected; Repeated in GAGAS letter for salary overpayments made during this audit period.
1998-31030-002	Ohio Rev. Code Section 5705.41(D) states that no subdivision or taxing unit shall make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Of expenditures tested in 1998 and 1997, all did not contain prior certification.	No	Not Corrected; Repeated in GAGAS Letter
1998-41030-003	Ohio Rev. Code Section 5705.10 requires, in part, that all revenue derived from a special levy is to be credited to a special fund for the purpose for which the levy was made. Also, all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose is to be paid into a special fund for such purpose. Revenue was posted to improper funds.	Yes	Finding No Longer Valid; Corrected during Local Government Services' reconstruction of the Township records.

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 1999  
(Continued)**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
1998-41030-004	Ohio Rev. Code Section 5705.09 requires that each subdivision shall establish a special fund 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. Issue II monies were not posted to a Capital Projects fund.	Yes	Finding No Longer Valid; Township did not receive Issue II monies in 1999.
1998-41030-005	Ohio Rev. Code Section 5705.38 requires that on or about the first day of each fiscal year, an appropriation measure is to be passed. If the taxing authority wants to postpone the passage of the annual appropriation measure until an amended certificate is received from the county budget commission based upon the actual year end balances, it may pass a temporary appropriation measure for meeting the ordinary expenses until April 1. The Township did not pass an appropriations resolution timely.	Yes	Not Corrected; Township did pass appropriations resolution before making expenditures, but did not pass the resolution until February 4, 1999. We reported this to management in a separate letter dated September 28, 2001.

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 1999  
(Continued)**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
1998-41030-006	Ohio Revised Code Section 5705.36 requires in part that on or about the first day of each fiscal year, the fiscal officers of subdivisions and other taxing units are to certify to the county auditor the total amount from all sources which is available for expenditures from each fund in the tax budget along with any unencumbered balances that existed at the end of the preceding year. This section also states in part that an increased amended certificate of estimated resources must be obtained from the budget commission if the legislative authority intends to appropriate and expend revenue in excess of the original amendment of estimated resources. The Township received excess revenue which it expended, however, the Township did not obtain an increased amended certificate for this excess.	Yes	Corrected; Township obtained Amended Certificates as necessary.
1998-41030-007	Ohio Rev. Code Section 5705.41(B) prohibits a subdivision from making an expenditure unless it has been properly appropriated. The Township had expenditures in excess of the appropriations.	No	Not Corrected; Repeated in letter to management dated September 28, 2001.

**WHEELING TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 1999  
(Continued)**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
1998-41030-008	The Clerk was required to perform all accounting functions, which did not provide for an adequate segregation of duties. The Board of Trustees did not ask for, or receive, any financial reports from the Clerk. The Trustees do review the bills at each monthly meeting and make a motion to pay bills.	No	Not Corrected; Repeated in GAGAS letter.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**WHEELING TOWNSHIP**

**GUERNSEY 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  
NOVEMBER 15, 2001**