



**Auditor of State
Betty Montgomery**

FRANKLIN TOWNSHIP
CLERMONT COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types and Expendable Trust Fund – For the Year Ended December 31, 2002.....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance – Nonexpendable Trust Fund – For the Year Ended December 31, 2002.....	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types and Expendable Trust Fund – For the Year Ended December 31, 2001.....	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance – Nonexpendable Trust Fund – For the Year Ended December 31, 2001.....	6
Notes to the Financial Statements.....	7
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	13
Schedule of Findings	15
Status of Prior Audit Findings.....	17

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Franklin Township
Clermont County
3432 Love Road
Felicity, OH, 45120

To the Board of Trustees:

We have audited the accompanying financial statements of Franklin Township, Clermont County, Ohio (the Township), as of and for the years ended December 31, 2002 and 2001. 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 of Franklin Township, Clermont County, Ohio, as of December 31, 2002 and 2001, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

As described in Note 9, during 2001, the Township reclassified certain trust funds.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2003 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 Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

April 30, 2003

**FRANKLIN TOWNSHIP
CLERMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>		<u>Expendable Trust</u>	<u>Totals</u>
	<u>General</u>	<u>Special Revenue</u>		<u>(Memorandum Only)</u>
Cash Receipts:				
Local Taxes	\$25,653	\$318,033		\$343,686
Intergovernmental	79,074	154,245		233,319
Licenses, Permits, and Fees	9,200	4,170		13,370
Fines, Forfeitures, and Penalties	2,534			2,534
Earnings on Investments	2,253	1,129	71	3,453
Other Revenue	4,675	23,208		27,883
Total Cash Receipts	<u>123,389</u>	<u>500,785</u>	<u>71</u>	<u>624,245</u>
Cash Disbursements:				
Current:				
General Government	77,939	8,787		86,726
Public Safety	10,300	267,004		277,304
Public Works	20,978	79,146		100,124
Health	13,095	2,859	200	16,154
Debt Service:				
Redemption of Principal		73,338		73,338
Interest and Other Fiscal Charges		5,362		5,362
Capital Outlay	396	1,450		1,846
Total Cash Disbursements	<u>122,708</u>	<u>437,946</u>	<u>200</u>	<u>560,854</u>
Total Receipts Over/(Under) Disbursements	<u>681</u>	<u>62,839</u>	<u>(129)</u>	<u>63,391</u>
Other Financing Receipts/(Disbursements):				
Other Financing Sources	12,256			12,256
Other Financing Uses		(12,256)		(12,256)
Total Other Financing Receipts/(Disbursements)	<u>12,256</u>	<u>(12,256)</u>		<u>0</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements And Other Financing Disbursements	<u>12,937</u>	<u>50,583</u>	<u>(129)</u>	<u>63,391</u>
Fund Cash Balance, January 1	<u>103,386</u>	<u>276,148</u>	<u>5,507</u>	<u>385,041</u>
Fund Cash Balance, December 31	<u>\$116,323</u>	<u>\$326,731</u>	<u>\$5,378</u>	<u>\$448,432</u>

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

FRANKLIN TOWNSHIP
CLERMONT COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCE
NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

Operating Cash Receipts:	
Earnings on Investments	\$173
	<hr/>
Total Operating Cash Receipts	173
	<hr/>
Operating Cash Disbursements:	
Current:	
Supplies and Materials	149
	<hr/>
Total Operating Cash Disbursements	149
	<hr/>
Operating Income	24
	<hr/>
Non-Operating Receipts	
Miscellaneous Receipts	200
	<hr/>
Total Non-Operating Receipts	200
	<hr/>
Net Income	224
	<hr/>
Fund Cash Balance, January 1	6,292
	<hr/>
Fund Cash Balance, December 31	\$6,516
	<hr/> <hr/>

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

**FRANKLIN TOWNSHIP
CLERMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>			Totals
	<u>General</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	<u>(Memorandum Only)</u>
Cash Receipts:				
Local Taxes	\$25,637	\$271,164		\$296,801
Intergovernmental	100,955	126,248		227,203
Licenses, Permits, and Fees	5,250	5,250		10,500
Fines, Forfeitures, and Penalties	1,306			1,306
Earnings on Investments	4,587	2,326	182	7,095
Miscellaneous	8,989	7,557		16,546
Total Cash Receipts	146,724	412,545	182	559,451
Cash Disbursements:				
Current:				
General Government	71,676	6,564		78,240
Public Safety	12,300	211,856		224,156
Public Works	32,487	107,577		140,064
Health	7,958	1,948	105	10,011
Debt Service:				
Redemption of Principal		21,852		21,852
Interest and Other Fiscal Charges		5,384		5,384
Capital Outlay	620	15,688		16,308
Total Cash Disbursements	125,041	370,869	105	496,015
Total Receipts Over Disbursements	21,683	41,676	77	63,436
Fund Cash Balance, January 1 (as restated)	81,703	234,472	5,430	321,605
Fund Cash Balance, December 31	\$103,386	\$276,148	\$5,507	\$385,041

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

FRANKLIN TOWNSHIP
CLERMONT COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCE
NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

Operating Cash Receipts:	
Earnings on Investments	<u>\$450</u>
Total Operating Cash Receipts	<u>450</u>
Operating Cash Disbursements:	
Current:	
Supplies and Materials	<u>1,126</u>
Total Operating Cash Disbursements	<u>1,126</u>
Net (Loss)	<u>(676)</u>
Fund Cash Balance, January 1 (as restated)	<u>6,968</u>
Fund Cash Balance, December 31	<u><u>\$6,292</u></u>

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

**FRANKLIN TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Franklin Township, Clermont 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 road and bridge maintenance, cemetery maintenance, and emergency medical services. The Township contracts with the Felicity-Franklin Fire District to provide fire 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 Deposits

The Township pools their funds, which are deposited at a local bank.

D. Fund Accounting

The Township uses fund accounting to segregate cash and deposits 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:

Fire District Fund

This fund receives taxes and intergovernmental receipts for the payment of the fire contract with the Felicity-Franklin Fire District.

Life Squad Fund

This fund receives taxes and intergovernmental receipts to pay for emergency medical technician (EMT) services.

**FRANKLIN TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fiduciary Funds (Trust Funds)

These funds are used to account for resources restricted by legally binding trust agreements and funds for which the Township is acting in an agency capacity. The Township had the following significant fiduciary funds:

Cemetery Bequest Fund

This expendable trust fund receives donations to provide upkeep of cemetery plots.

Poe's Bequest Fund

This nonexpendable trust fund allows the interest to be used to maintain three burial plots in the cemetery.

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. 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 Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. The Township did not encumber all commitments required by Ohio law. However, there were no material encumbrances outstanding at December 31, 2002 and 2001.

A summary of 2002 and 2001 budgetary activity appears in Note 3.

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.

**FRANKLIN TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

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:

	2002	2001
Demand deposits	\$454,948	\$391,333

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$115,784	\$135,645	\$19,861
Special Revenue	495,720	500,785	5,065
Expendable Trust	271	71	(200)
Non-Expendable Trust	525	373	(152)
Total	\$612,300	\$636,874	\$24,574

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$219,170	\$122,708	\$96,462
Special Revenue	772,633	450,202	322,431
Expendable Trust	5,740	200	5,540
Non-Expendable Trust	6,090	149	5,941
Total	\$1,003,633	\$573,259	\$430,374

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$115,803	\$146,724	\$30,921
Special Revenue	399,329	412,545	13,216
Expendable Trust	258	182	(76)
Non-Expendable Trust	500	450	(50)
Total	\$515,890	\$559,901	\$44,011

**FRANKLIN TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$197,507	\$125,041	\$72,466
Special Revenue	634,328	370,869	263,459
Expendable Trust	5,706	105	5,601
Non-Expendable Trust	6,924	1,126	5,798
Total	\$844,465	\$497,141	\$347,324

4. PROPERTY TAX

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

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

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, 2002 was as follows:

	Principal	Interest Rate
Backhoe Lease	\$8,269	5.90%

In 1998, the Township entered into a five-year lease agreement with Southeast Equipment Co. Inc., for a backhoe for the maintenance of Township roads.

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

	Backhoe Lease
Year ending December 31: 2003	\$8,757

During 2002, the Township retired an ambulance loan that they used to finance the purchase of a new ambulance for emergency medical services. Also, the Township retired a Dump Truck loan to finance the purchase of a new dump truck for Township road maintenance.

**FRANKLIN TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

6. RETIREMENT SYSTEMS

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plans. 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 2002 and 2001, members of PERS members contributed 8.5% of their gross salaries. For 2002 and 2001, the Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2002.

7. RISK MANAGEMENT

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 judgements, 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.

8. CONTINGENT LIABILITIES

The Township is defendant in several lawsuits. Although the outcome of these suits is not presently determinable, management believes that the resolution of these matters will not materially adversely affect the Township's financial condition.

9. PRIOR PERIOD ADJUSTMENT

The fund balance of the Chilo Cemetery Fund (Non-Expendable Trust Fund), Expendable Trust Fund and Cemetery Fund (Special Revenue Fund) have been restated. The Township had several trust funds, but there were no corresponding trust agreements for these funds.

Trust funds should be used to account for assets held by the Township in a trustee capacity. Trust funds consist of resources received and held by the Township as trustee that are to be expended or invested in accordance with the conditions of the trust.

A trust agreement did not exist for part of the Chilo Cemetery fund, therefore, the fund was reclassified as a Special Revenue fund.

One of the trust agreements states the principal can be spent for the Chilo Cemetery, therefore, the fund was reclassified as an Expendable Trust Fund.

This restatement had the following affect on fund balance as it was previously reported December 31, 2000.

**FRANKLIN TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

9. PRIOR PERIOD ADJUSTMENT (Continued)

	Non-Expendable Trust Fund	Special Revenue Fund	Expendable Trust Fund
Previously stated Fund Balance at December 31, 2000	\$ 17,015	\$ 229,855	\$ 0
Fund Reclassification	<u>(10,047)</u>	<u>4,617</u>	<u>5,430</u>
Restated Fund Balance at January 1, 2001	<u>\$ 6,968</u>	<u>\$ 234,472</u>	<u>\$ 5,430</u>



**Auditor of State
Betty Montgomery**

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

Franklin Township
Clermont County
3432 Love Road
Felicity, OH 45120

To the Board of Trustees:

We have audited the accompanying financial statements of Franklin Township, Clermont County, Ohio (the Township), as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated April 30, 2003, wherein we noted the Township reclassified certain trust funds. 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 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*, and which is described in the accompanying schedule of findings as item 2002-40413-001. We also noted an immaterial instance of noncompliance that we have reported to management of the Township in a separate letter dated April 30, 2003.

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 2002-40413-001.

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.

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 the management of the Township in a separate letter dated April 30, 2003.

This report is intended solely 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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

April 30, 2003

**FRANKLIN TOWNSHIP
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2002 AND 2001**

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

FINDING NUMBER 2002-40413-001

Material Noncompliance/Reportable Condition

Ohio Rev. Code, Section 5705.41 (D), requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation 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. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

This section also provides for two exceptions to the above requirements:

- A. Then and Now Certificates- If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the Township may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
- B. If the amount involved is less than \$1,000 dollars, the fiscal officer may authorize payment through a Then and Now Certificate without affirmation of the Board of Trustees, if such expenditure is otherwise valid.

Where a continuing contract is to be performed in whole or in part in an ensuing fiscal year, only the amount required to meet those amounts in the fiscal year in which the contract is made need be certified.

Contrary to the above requirement, prior certification was not obtained for 26% of the vouchers reviewed and neither of the two exceptions provided for above were utilized. Failure to certify the availability of funds and encumber appropriations can result in overspending funds and negative cash fund balances. Therefore, we recommend the Township obtain approved purchase orders, which contain the Clerk's certification that the amount required to meet the obligation has been lawfully appropriated and authorized, prior to making a commitment.

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**FRANKLIN TOWNSHIP
CLERMONT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2002 AND 2001**

Finding Number	Finding Summary	Fully Corrected ?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2000-40431-001	ORC, Section 5705.09, requires the Township to establish a special revenue fund for each class of revenues derived from a source other than the general property tax, which the law require to be used for a particular purpose.	Yes	



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

FRANKLIN TOWNSHIP

CLERMONT 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
MAY 22, 2003**