



**Auditor of State  
Betty Montgomery**



**PLEASANT TOWNSHIP  
CLARK COUNTY**

**TABLE OF CONTENTS**

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

**This page intentionally left blank.**



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Pleasant Township  
Clark County  
P.O. Box 39  
Catawba, Ohio 43010

To the Board of Trustees:

We have audited the accompanying financial statements of Pleasant Township, Clark County, (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.

Except as discussed in the following paragraph, 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.

Ambulance billings reported in the Special Revenue Fund Type as Charges for Services were processed by a service organization that is independent of the Township. The service organization did not provide us with evidence we requested regarding the design or proper operation of its internal control relative to the processing of the Township's ambulance billing and collecting transactions. We were unable to satisfy ourselves as to the proper processing of ambulance billing and collecting. Those transactions represent 9% and 2% of the revenue for the Special Revenue Fund Type for the years ending December 31, 2002 and 2001, respectively.

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, except for the effects of such adjustments, if any as might have been determined to be necessary had we been able to examine the evidence regarding ambulance billing, 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, 2002 and 2001, 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 April 10, 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 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.

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 10, 2003

**PLEASANT TOWNSHIP  
CLARK COUNTY**

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

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Taxes	\$27,645	\$219,474	\$247,119
Intergovernmental	19,987	101,701	121,688
Charges for Services		33,384	33,384
Licenses, Permits, and Fees	1,385	15,077	16,462
Earnings on Investments	1,129		1,129
Other Revenue	28,887	16,855	45,742
	<u>79,033</u>	<u>386,491</u>	<u>465,524</u>
<b>Total Cash Receipts</b>			
	<u>79,033</u>	<u>386,491</u>	<u>465,524</u>
<b>Cash Disbursements:</b>			
Current:			
General Government	48,381		48,381
Public Safety		103,059	103,059
Public Works		159,267	159,267
Health		47,327	47,327
Debt Service:			
Redemption of Principal	30,282	75,983	106,265
Interest and Fiscal Charges	6,005	14,109	20,114
Capital Outlay	10,000	61,626	71,626
	<u>94,668</u>	<u>461,371</u>	<u>556,039</u>
<b>Total Cash Disbursements</b>			
	<u>94,668</u>	<u>461,371</u>	<u>556,039</u>
<b>Total Receipts (Under) Disbursements</b>	(15,635)	(74,880)	(90,515)
<b>Fund Cash Balances, January 1</b>	<u>29,835</u>	<u>125,939</u>	<u>155,774</u>
<b>Fund Cash Balances, December 31</b>	<u>\$14,200</u>	<u>\$51,059</u>	<u>\$65,259</u>
<b>Reserve for Encumbrances, December 31</b>	<u>\$875</u>	<u>\$3,687</u>	<u>\$4,562</u>

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

PLEASANT TOWNSHIP  
CLARK COUNTY

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

	<u>Cemetery Trust Fund</u>
<b>Cash Receipts:</b>	
Earnings on Investments	\$3,580
<b>Cash Disbursements:</b>	
Current:	
Capital Outlay	<u>10,009</u>
Total Receipts (Under) Disbursements	(6,429)
Fund Cash Balance, January 1	<u>81,471</u>
<b>Fund Cash Balance, December 31</b>	<u><u>\$75,042</u></u>
Reserve for Encumbrances, December 31	<u><u>\$0</u></u>

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



**PLEASANT TOWNSHIP  
CLARK COUNTY**

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

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Taxes	\$14,551	\$217,231	\$231,782
Charges for Services		5,000	5,000
Intergovernmental	43,635	105,434	149,069
Licenses, Permits, and Fees	325	13,785	14,110
Earnings on Investments	2,821		2,821
Other Revenue	31,717	22,609	54,326
	<u>93,049</u>	<u>364,059</u>	<u>457,108</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Current:			
General Government	51,764		51,764
Public Safety		93,748	93,748
Public Works		178,133	178,133
Health		44,665	44,665
Debt Service:			
Redemption of Principal	13,368	10,099	23,467
Interest and Fiscal Charges	5,149	435	5,584
Capital Outlay		48,041	48,041
	<u>70,281</u>	<u>375,121</u>	<u>445,402</u>
<b>Total Cash Disbursements</b>			
<b>Total Receipts Over (Under) Disbursements</b>	22,768	(11,062)	11,706
<b>Other Financing Receipts:</b>			
Proceeds from Sale of Public Debt:			
Sale of Notes		60,000	60,000
		<u>60,000</u>	<u>60,000</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements</b>	22,768	48,938	71,706
<b>Fund Cash Balances, January 1</b>	<u>7,067</u>	<u>77,001</u>	<u>84,068</u>
<b>Fund Cash Balances, December 31</b>	<u>\$29,835</u>	<u>\$125,939</u>	<u>\$155,774</u>
<b>Reserve for Encumbrances, December 31</b>	<u>\$746</u>	<u>\$0</u>	<u>\$746</u>

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

**PLEASANT TOWNSHIP  
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE - CEMETERY TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Cemetery Trust Fund</u>
<b>Cash Receipts:</b>	
Earnings on Investments	\$4,351
<b>Cash Disbursements:</b>	
Current:	
Capital Outlay	<u>2,849</u>
Total Receipts Over Disbursements	1,502
Fund Cash Balance, January 1	<u>79,969</u>
<b>Fund Cash Balance, December 31</b>	<u><u>\$81,471</u></u>
Reserve for Encumbrances, December 31	<u><u>\$0</u></u>

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

**PLEASANT TOWNSHIP  
CLARK COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Pleasant Township, Clark 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 street 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**

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:

**Road and Bridge Fund** - This fund receives property tax money for constructing, maintaining and repairing Township roads and bridges.

**Fire District Fund** - This fund receives tax money and donations for providing fire protection.

**PLEASANT TOWNSHIP  
CLARK COUNTY**

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

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

**3. Fiduciary Fund (Trust Fund)**

This fund is used to account for resources restricted by a legally binding trust agreement. The Township had the following significant fiduciary fund:

**Cemetery Bequest Fund** – A nonexpendable trust fund. The Township received \$75,000 during 1977. Only interest earned can be used for cemetery maintenance as specified by the donor.

**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. Contrary to Ohio Revised Code Section 5705.41, encumbrances disclosed on the accompanying financial statements were cancelled at year end and not carried forward to the subsequent year.

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.

**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:

**PLEASANT TOWNSHIP  
CLARK COUNTY**

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

**2. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)**

	2002	2001
Demand deposits	\$65,301	\$162,245
Investment Trust Account	75,000	75,000
Total deposits and investments	\$140,301	\$237,245

**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:** Various stocks were willed to the Township and only interest can be used for the maintenance of the Asbury Chapel Cemetery.

**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	\$100,401	\$79,033	(\$21,368)
Special Revenue	489,696	386,491	(103,205)
Fiduciary	6,000	3,580	(2,420)
Total	\$596,097	\$469,104	(\$126,993)

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$129,131	\$95,543	\$33,588
Special Revenue	566,300	465,058	101,242
Fiduciary	87,400	10,009	77,391
Total	\$782,831	\$570,610	\$212,221

**PLEASANT TOWNSHIP  
CLARK COUNTY**

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

**3. BUDGETARY ACTIVITY (Continued)**

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$69,469	\$93,049	\$23,580
Special Revenue	432,252	424,059	(8,193)
Fiduciary	4,000	4,351	351
Total	\$505,721	\$521,459	\$15,738

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$78,200	\$71,027	\$7,173
Special Revenue	424,450	375,121	49,329
Fiduciary	8,900	2,849	6,051
Total	\$511,550	\$448,997	\$62,553

**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.

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
Post Office Construction Note	\$29,271	9.00%
Dump Truck Note	45,000	4.72%
Fire Truck Lease	65,485	8.00%
Total	\$139,756	

**PLEASANT TOWNSHIP  
CLARK COUNTY**

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

**5. DEBT (Continued)**

The Post Office Building Note was borrowed for the purpose of constructing a new township building. The U.S. Post Office leases its office from the Township and the lease payment is credited to the Township's General Fund.

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

	<b>Post Office Construction Note</b>	<b>Dump Truck Note</b>	<b>Fire Truck Lease</b>
Year ending December 31:			
2003	\$18,517	\$17,124	\$36,130
2004	14,594	16,416	36,130
2005		15,708	
Total	\$33,111	\$49,248	\$72,260

**6. RETIREMENT SYSTEMS**

The Township's 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 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 contributed 8.5% of their gross wages. The Township contributed an amount equal to 13.55% of participants' gross salaries for both years. The Township has paid all contributions required through December 31, 2002.

**7. RISK MANAGEMENT**

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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

**8. CONTINGENT LIABILITIES**

The Township is not a defendant in any contingent liability that counsel believes would materially affect the Township's financial condition.

**This page intentionally left blank.**





**Auditor of State  
Betty Montgomery**

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

Pleasant Township  
Clark County  
P.O. Box 39  
Catawba, Ohio 43010

To the Board of Trustees:

We have audited the accompanying financial statements of Pleasant Township (the Township) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated April 10, 2003, which was qualified since certain information relating to Special Revenue Fund Type receipts was not available to be audited. Except for this matter, 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* which is described in the accompanying schedule of findings as item 2002-40312-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated April 10, 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 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 2001-40312-002.

**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, we also consider the reportable condition described above as item 2001-40312-002 to be a material weakness. We also noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Township in a separate letter dated April 10, 2003.

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



**Betty Montgomery**  
Auditor of State

April 10, 2003

**PLEASANT TOWNSHIP  
CLARK COUNTY**

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

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2002-40312-001**

**Ohio Rev. Code Section 5705.41 (D)** provides 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 exception to this basic requirement is provided by statute:

Then and Now Certificate: This exception provides that, if the fiscal officer can certify that both at the time that the contract or order was made and at the time he is making 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 previous 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.

Amounts of less than \$1,000 for townships may be paid by the fiscal officer without such affirmation of the taxing authority upon the 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 failed to properly certify, including the exception above, all tested expenditures amounting to \$6,811 during 2001 and 2002. Proper certification of funds would provide an accurate picture of remaining available appropriations and unencumbered funds which would aid in the financial decision making in process.

**FINDING NUMBER 2002-40312-002**

**Emergency Medical Services Billings and Service Organization**

The Township delegated emergency medical services (EMS) billing and collection services to a third-party administrator. Pleasant Township prepared individual EMS run forms which were submitted to the service organization, in the name of the Township, for billing and collection. Payments were received directly by the Township Clerk and posted to the general ledger. However, the Township did not perform any reconciliation or monitoring of the amounts received versus the amounts submitted to be billed and collected. Additionally, the Township did not establish procedures to determine whether the service organization had sufficient controls in place and operating effectively to reduce the risk that these services have not been completely and accurately processed in accordance with the Township's contract.

The Township should develop and implement procedures to monitor the activity of the service organization's processing of the Township's EMS accounts for reasonableness. These procedures should provide assurance over the completeness and accuracy of billing and should reduce the risk of errors or omissions by the service organization. This may be accomplished by an annual audit of the service provider processing. Statement on Auditing Standards (SAS) No. 70 as amended, prescribes standards for reporting on the processing (i.e. control design and operation) of transactions by service organizations. An unqualified Tier II "Report on Policies and Procedures Placed in Operation and Tests of Operating Effectiveness" in accordance with SAS No. 70, should provide the Township with an appropriate level of assurance that EMS billings are being processed in conformance with the contract.

**FINDING NUMBER 2002-40312-002  
(Continued)**

**Emergency Medical Services Billings and Service Organization**

The Township should consider specifying in their next contract with the third-party administrator that an annual Tier II SAS #70 audit report be performed and conducted in accordance with American institute of Certified Public Accountants' (AICPA) standards by a firm registered and considered in "good standing" with the Accountancy Board of the respective state. The Township should be provided a copy of the SAS 70 report timely and should review the report's content. If the third-party administrator refuses to provide a Tier II SAS 70 report, the Township should contract with a third-party administrator that will provide such a report.

**PLEASANT TOWNSHIP  
CLARK COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR END**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
2000-40312-001	Not properly certifying funds	No	Not Corrected. Repeated in current audit as Finding # 2002-40312-001.
2000-40312-002	Perpetual Trust Bequest	Yes	Finding No Longer Valid





**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

**PLEASANT TOWNSHIP**

**CLARK 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  
JUNE 3, 2003**