



**Auditor of State  
Betty Montgomery**



**OXFORD TOWNSHIP  
COSHOCOTON COUNTY**

**TABLE OF CONTENTS**

| <b>TITLE</b>  | <b>PAGE</b> |
|---|-------------|
| Cover Letter .....  | 1           |
| Independent Accountants' Report.....  | 3           |
| Combined Statement of Cash Receipts, Cash Disbursements, and<br>Changes in Fund Cash Balances<br>All Governmental Fund Types<br>For the Year Ended December 31, 2004 .....    | 5           |
| Combined Statement of Cash Receipts, Cash Disbursements, and<br>Changes in Fund Cash Balances<br>All Governmental Fund Types<br>For the Year Ended December 31, 2003 .....    | 6           |
| Notes to the Financial Statements .....   | 7           |
| Independent Accountants' Report on Internal Control Over<br>Financial Reporting and on Compliance and Other Matters<br>Required by <i>Government Auditing Standards</i> ..... | 13          |
| Schedule of Findings.....   | 15          |
| Schedule of Prior Audit Findings .....  | 17          |

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**Auditor of State  
Betty Montgomery**

Oxford Township  
Coshocton County  
23021 State Route 751  
West Lafayette, Ohio 43845

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in black ink that reads "Betty Montgomery".

**Betty Montgomery**  
Auditor of State

August 31, 2005

101 Central Plaza South / 700 Bank One Tower / Canton, OH 44702  
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

Oxford Township  
Coshocton County  
23021 State Route 751  
West Lafayette, Ohio 43845

To the Board of Trustees:

We have audited the accompanying financial statements of Oxford Township, Coshocton County, Ohio, (the Township) as of and for the years ended December 31, 2004 and 2003. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion. Beginning in 2004, the Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio Townships. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Township to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2004. Instead of the combined funds the accompanying financial statements present for 2004 (and 2003), the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2004. While the Township does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Township has elected not to reformat its statements.

101 Central Plaza South / 700 Bank One Tower / Canton, OH 44702  
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Since this Township does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the year ended December 31, 2004 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2004, or its changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Oxford Township, Coshocton County, as of December 31, 2004 and 2003, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Township to include Management's Discussion and Analysis for the year ended December 31, 2004. The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2005, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



**Betty Montgomery**  
Auditor of State

August 31, 2005



**OXFORD TOWNSHIP  
COSHOCOTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2004**

|   | <u>Governmental Fund Types</u> |                            | <u>Totals<br/>(Memorandum<br/>Only)</u> |
|---|--------------------------------|----------------------------|---|
|   | <u>General</u>                 | <u>Special<br/>Revenue</u> |   |
| <b>Cash Receipts:</b>                               |                                |                            |   |
| Local Taxes   | \$36,642                       | \$42,739                   | \$79,381                                |
| Intergovernmental                                   | 12,181                         | 82,872                     | 95,053                                  |
| Earnings on Investments                             | 400                            | 101                        | 501                                     |
| Miscellaneous                                       | 706                            | 50                         | 756                                     |
|   | <u>49,929</u>                  | <u>125,762</u>             | <u>175,691</u>                          |
| Total Cash Receipts                                 |                                |                            |   |
| <b>Cash Disbursements:</b>                          |                                |                            |   |
| Current:  |                                |                            |   |
| General Government                                  | 52,641                         | 1,938                      | 54,579                                  |
| Public Safety                                       |                                | 12,970                     | 12,970                                  |
| Public Works  | 13,622                         | 88,273                     | 101,895                                 |
| Health  | 4,351                          |                            | 4,351                                   |
| Debt Service:                                       |                                |                            |   |
| Redemption of Principal                             | 2,080                          | 7,230                      | 9,310                                   |
| Interest and Fiscal Charges                         |                                | 770                        | 770                                     |
|   | <u>72,694</u>                  | <u>111,181</u>             | <u>183,875</u>                          |
| Total Cash Disbursements                            |                                |                            |   |
| Total Cash Receipts Over/(Under) Cash Disbursements | <u>(22,765)</u>                | <u>14,581</u>              | <u>(8,184)</u>                          |
| Fund Cash Balances, January 1                       | <u>30,362</u>                  | <u>25,953</u>              | <u>56,315</u>                           |
| <b>Fund Cash Balances, December 31</b>              | <b><u>\$7,597</u></b>          | <b><u>\$40,534</u></b>     | <b><u>\$48,131</u></b>                  |
| Reserve for Encumbrances, December 31               | <u>\$0</u>                     | <u>\$15,978</u>            | <u>\$15,978</u>                         |

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

**OXFORD TOWNSHIP  
COSHOCOTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

|   | <u>Governmental Fund Types</u> |                            | <b>Totals<br/>(Memorandum<br/>Only)</b> |
|---|--------------------------------|----------------------------|---|
|   | <u>General</u>                 | <u>Special<br/>Revenue</u> |   |
| <b>Cash Receipts:</b>                       |                                |                            |   |
| Local Taxes                                 | \$33,026                       | \$34,864                   | \$67,890                                |
| Intergovernmental                           | 55,767                         | 74,322                     | 130,089                                 |
| Earnings on Investments                     | 86                             | 12                         | 98                                      |
| Other Revenue                               | 1,533                          | 924                        | 2,457                                   |
|   | <hr/>                          | <hr/>                      | <hr/>                                   |
| Total Cash Receipts                         | 90,412                         | 110,122                    | 200,534                                 |
|   | <hr/>                          | <hr/>                      | <hr/>                                   |
| <b>Cash Disbursements:</b>                  |                                |                            |   |
| Current:                                    |                                |                            |   |
| General Government                          | 50,503                         |                            | 50,503                                  |
| Public Safety                               |                                | 12,576                     | 12,576                                  |
| Public Works                                | 7,321                          | 64,545                     | 71,866                                  |
| Health                                      | 4,992                          |                            | 4,992                                   |
| Capital Outlay                              |                                | 15,504                     | 15,504                                  |
| Debt Service:                               |                                |                            |   |
| Redemption of Principal                     | 5,000                          | 4,310                      | 9,310                                   |
| Interest and Fiscal Charges                 |                                | 1,223                      | 1,223                                   |
|   | <hr/>                          | <hr/>                      | <hr/>                                   |
| Total Cash Disbursements                    | 67,816                         | 98,158                     | 165,974                                 |
|   | <hr/>                          | <hr/>                      | <hr/>                                   |
| Total Cash Receipts Over Cash Disbursements | 22,596                         | 11,964                     | 34,560                                  |
|   | <hr/>                          | <hr/>                      | <hr/>                                   |
| Fund Cash Balances, January 1               | 7,766                          | 13,989                     | 21,755                                  |
|   | <hr/>                          | <hr/>                      | <hr/>                                   |
| <b>Fund Cash Balances, December 31</b>      | <b>\$30,362</b>                | <b>\$25,953</b>            | <b>\$56,315</b>                         |
|   | <hr/> <hr/>                    | <hr/> <hr/>                | <hr/> <hr/>                             |

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

**OXFORD TOWNSHIP  
COSHOCOTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Ohio Township, Coshocoton County, Ohio, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Village of West Lafayette and the Newcomerstown Emergency Rescue Squad to provide 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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the Auditor of State prescribes or permits.

**C. Cash**

The Township maintains all cash in a checking account and a high balance savings account.

**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 reports all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds 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:

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

**OXFORD TOWNSHIP  
COSHOCTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003  
(Continued)**

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

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds (Continued)**

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

*Motor Vehicle License Tax Fund* - This fund receives state motor vehicle license tax for constructing, maintaining and repairing Township roads and bridges.

*Permissive Motor Vehicle License Tax Fund* - This fund receives county motor vehicle license tax for constructing, maintaining, and repairing Township roads and bridges.

*Fire Levy Fund* - This fund receives property taxes to pay for fire protection services.

**E. Budgetary Process**

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

**1. Appropriations**

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

**2. Estimated Resources**

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

**3. Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. In 2003, the Township did not use the encumbrance method of accounting. Also, the Township did not encumber all commitments required by Ohio law. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2004 and 2003 budgetary activity appears in Note 3.

**OXFORD TOWNSHIP  
COSHOCKTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003  
(Continued)**

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

**F. Property, Plant, and Equipment**

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employers are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**2. EQUITY IN POOLED CASH**

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

|                 | 2004     | 2003     |
|-----------------|----------|----------|
| Demand Deposits | \$48,131 | \$56,315 |

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2004 and 2003 follows:

2004 Budgeted vs. Actual Receipts

| Fund Type       | Budgeted<br>Receipts | Actual<br>Receipts | Variance   |
|-----------------|----------------------|--------------------|------------|
| General         | \$46,653             | \$49,929           | (\$3,276)  |
| Special Revenue | 117,936              | 125,762            | (7,826)    |
| Total           | \$164,589            | \$175,691          | (\$11,102) |

2004 Budgeted vs. Actual Budgetary Basis Expenditures

| Fund Type       | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance |
|-----------------|----------------------------|---------------------------|----------|
| General         | \$76,960                   | \$72,694                  | \$4,266  |
| Special Revenue | 124,035                    | 111,181                   | 12,854   |
| Total           | \$200,995                  | \$183,875                 | \$17,120 |

2003 Budgeted vs. Actual Receipts

| Fund Type       | Budgeted<br>Receipts | Actual<br>Receipts | Variance  |
|-----------------|----------------------|--------------------|-----------|
| General         | \$88,323             | \$90,412           | (\$2,089) |
| Special Revenue | 108,622              | 110,122            | (1,500)   |
| Total           | \$196,945            | \$200,534          | (\$3,589) |

**OXFORD TOWNSHIP  
COSHOCTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

| 2003 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |          |
|---|----------------------------|---------------------------|----------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance |
| General   | \$76,094                   | \$67,816                  | \$8,278  |
| Special Revenue                                       | 107,505                    | 98,158                    | 9,347    |
| Total   | \$183,599                  | \$165,974                 | \$17,625 |

Contrary to Ohio Rev. Code 5705.41(D), the Township did not certify the availability of funds for certain expenditures during 2004.

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopt rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, 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.

**5. DEBT**

Debt outstanding at December 31, 2004 was as follows:

|                                     |           |               |
|-------------------------------------|-----------|---------------|
|                                     | Principal | Interest Rate |
| Promissory Note - Township Building | \$6,510   | 4.75%         |

The note was issued in 1996 and relates to the purchase of a building to store Township equipment. The notes are secured by the building.

**OXFORD TOWNSHIP  
COSHOCTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003  
(Continued)**

**5. DEBT (Continued)**

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

|                          |                      |
|--------------------------|----------------------|
| Year ending December 31: | Township<br>Building |
| <u>2005</u>              | <u>\$6,819</u>       |

**6. RETIREMENT SYSTEM**

The Township belongs to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 8.5 percent of their gross salaries. The Township contributed an amount equaling 13.55 percent of participants' gross salaries for 2004 and 2003. The Township has paid all contributions required through December 31, 2004.

**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 judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible.

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

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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Oxford Township  
Coshocton County  
23021 State Route 751  
West Lafayette, Ohio 43845

To the Board of Trustees:

We have audited the financial statements of the Oxford Township, Coshocton County, Ohio, (the Township) as of and for the year ended December 31, 2004 and 2003, and have issued our report thereon dated August 31, 2005, wherein we noted the Township followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We also noted that the Township uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Township because the Auditor of State designed, developed, implemented, and, as requested, operates UAN. 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 the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Township's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Township's management dated August 31, 2005, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

#### **Compliance and Other Matters**

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2004-001.

In a separate letter to the Township's management dated August 31, 2005, we reported other matters related to noncompliance we deemed immaterial.

101 Central Plaza South / 700 Bank One Tower / Canton, OH 44702  
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

We intend this report solely for the information and use of management and the Board of Trustees. It is not intended for 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

August 31, 2005

**OXFORD TOWNSHIP  
COSHOCTON COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2004 AND 2003**

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

**FINDING NUMBER 2004-001**

**Noncompliance Citation**

**Ohio Rev. Code Section 5705.41(D)** states in part, 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 certifying 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. Every such contract made without such a certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that a clerk's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. **"Then and Now" Certificate** – If the clerk can certify that both at the time that the contract or order was made ("then"), and at the time that the clerk is completing the certification ("now"), that 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 Township can authorize the drawing of a warrant for the payment of the amount due. The Township Trustees have thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 (\$1,000 prior to April 7, 2003) may be paid by the clerk without a resolution or ordinance 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 Township.

2. **Blanket Certificate** – Clerks may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. (Prior to September 26, 2003, blanket certificates were limited to \$5,000 and three months.) The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. **Super Blanket Certificate** – The Township may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

Of the expenditures tested, 17% in 2004 and 30% in 2003, were not certified by the clerk prior to incurring the commitment and none of the exceptions noted above were utilized.

**FINDING NUMBER 2004-001 (Continued)**

Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances. The Township should obtain approved purchase orders which include the fiscal officer's certification the amount required to meet the obligation has been lawfully appropriated and authorized prior to making the commitment. When prior certification is not possible "then and now" certification should be used.

**OXFORD TOWNSHIP  
COSHOCTON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED DECEMBER 31, 2004 and 2003**

| 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> |
|----------------|---|------------------|--|
| 2002-001       | Ohio Rev. Code Section 5705.10 requires that money paid into any fund shall be used only for the purposes for which such fund was established. The Township had negative fund balances in 2001.     | No               | Partially corrected. See the Management Letter.  |
| 2002-002       | Ohio Rev. Code Section 5705.39 requires that appropriations not exceed estimated resources.   | Yes              | Fully corrected.   |
| 2002-003       | Ohio Rev. Code Section 5705.41 (B) requires that no money be expended that is not appropriated.   | Yes              | Fully corrected.   |
| 2002-004       | Ohio Rev. Code Section 5705.41 (D) requires that no subdivision expend monies unless they have been lawfully appropriated. The Township had expenditures exceeding appropriations in 2001 and 2002. | No               | Not Corrected. Reissued as Finding Number 2004-001.  |
| 2002-005       | Ohio Rev. Code Section 117.38 requires that cash basis entities file an annual report with AOS within 60 days of fiscal year end.   | Yes              | Fully corrected.   |
| 2002-006       | Ohio Rev. Code Section 507.04 requires that the Township Clerk shall keep an accurate record of the proceedings of the Board of Township Trustees.  | No               | Partially corrected. See the Management Letter.  |

Oxford Township  
 Coshocton County  
 Schedule of Prior Audit Findings  
 Page 2

| 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> |
|----------------|---|------------------|--|
| 2002-007       | During 2002 and 2001, the Township had weaknesses concerning the Township's disbursements.  | Yes              | Fully corrected.   |
| 2002-008       | During 2002 and 2001, the Board of Trustees was not provided reports reflecting actual receipts and expenditures and other reports.   | Yes              | Fully corrected.   |
| 2002-009       | During 2002 and 2001, the Township's accounting records were maintained in a manner such that interim financial reports and annual financial statements were not able to be prepared. | Yes              | Fully corrected.   |



**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

**OXFORD TOWNSHIP**

**COSHOCTON 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 10, 2005**