

Perry Township
Pike County, Ohio

Regular Audit

For the years ended December 31, 2008 and 2007
Fiscal Years Audited Under GAGAS: 2008 and 2007



Balestra, Harr & Scherer, CPAs, Inc.

528 South West St, P.O. Box 687, Piketon, Ohio 45661 Phone: 740.289.4131 Fax: 740.289.3639



Mary Taylor, CPA

Auditor of State

Board of Trustees
Perry Township
2539 St. Rt.41
Cynthiana, Ohio 45690

We have reviewed the *Independent Auditor's Report* of Perry Township, Pike County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period January 1, 2007 through December 31, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State 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. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Perry Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 23, 2009

This Page is Intentionally Left Blank.

Perry Township
Pike County, Ohio
For the Years Ended December 31, 2008 and 2007
Table of Contents

Title	Page
Independent Auditor's 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, 2008	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types - For the Year Ended December 31, 2007	4
Notes to the Financial Statements	5
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	10
Schedule of Findings.....	12
Schedule of Prior Audit Findings.....	16



Independent Auditor's Report

Board of Trustees
Perry Township
Pike County
2539 St. Rt. 41
Cynthiana, Ohio 45624

We have audited the accompanying financial statements of Perry Township, Pike County, Ohio (the Township), as of and for the years ended December 31, 2008 and 2007. 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.

As discussed 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.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Township's larger (i.e. major) funds separately. 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 GAAP presentation requirements. The Auditor of State permits, but does not require Government's to reformat their statements. The Township has elected not to follow GAAP statement formatting requirement. 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.

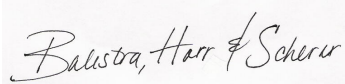
In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2008 and 2007 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2008 and 2007, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Perry Township, Pike County, as of December 31, 2008 and 2007, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

Perry Township
Pike County
Independent Auditors' Report

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 November 24, 2009, 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.



Balestra, Harr & Scherer, CPAs, Inc.

November 24, 2009

Perry Township, Pike County
Combined Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances
Governmental Funds
For the Year Ended December 31, 2008

	General Fund	Special Revenue Fund	Totals (Memorandum Only)
Receipts			
Property and Other Local Taxes	\$ 8,867	\$ 37,822	\$ 46,689
Intergovernmental	20,816	92,405	113,221
Charges for Services		4,800	4,800
Earnings on Investments	2,053	4,223	6,276
Miscellaneous	10,105	250	10,355
<i>Total Receipts</i>	<u>41,841</u>	<u>139,500</u>	<u>181,341</u>
Disbursements			
Current:			
General Government	40,486	-	40,486
Public Safety	-	21,776	21,776
Public Works	3,065	112,365	115,430
<i>Total Disbursements</i>	<u>43,551</u>	<u>134,141</u>	<u>177,692</u>
<i>Net Change in Fund Balances</i>	(1,710)	5,359	3,649
<i>Fund Balances - Beginning of Year</i>	<u>15,838</u>	<u>128,925</u>	<u>144,763</u>
<i>Fund Balances - End of Year</i>	<u>\$ 14,128</u>	<u>\$ 134,284</u>	<u>\$ 148,412</u>

See accompanying notes to the basic financial statements.

Perry Township, Pike County
Combined Statement of Cash Receipts, Disbursements and Changes in Fund Cash Balances
Governmental Funds
For the Year Ended December 31, 2007

	General Fund	Special Revenue Fund	Total (Memorandum Only)
Receipts			
Property and Other Local Taxes	\$ 7,679	\$ 25,160	\$ 32,839
Intergovernmental	18,588	95,029	113,617
Charges for Services	-	6,700	6,700
Interest	2,228	2,521	4,749
Other	2,028	1,688	3,716
	<u>30,523</u>	<u>131,098</u>	<u>-</u>
<i>Total Receipts</i>	<u>30,523</u>	<u>131,098</u>	<u>161,621</u>
Disbursements			
Current:			
General Government	33,321	-	33,321
Public Safety	-	7,900	7,900
Public Works	2,374	160,370	162,744
	<u>35,695</u>	<u>168,270</u>	<u>203,965</u>
<i>Total Disbursements</i>	<u>35,695</u>	<u>168,270</u>	<u>203,965</u>
<i>Excess of Receipts Over / (Under) Disbursements</i>	<u>(5,172)</u>	<u>(37,172)</u>	<u>(42,344)</u>
<i>Fund Balances - Beginning of Year</i>	<u>21,010</u>	<u>166,097</u>	<u>187,107</u>
<i>Fund Balances - End of Year</i>	<u>\$ 15,838</u>	<u>\$ 128,925</u>	<u>\$ 144,763</u>

See accompanying notes to the basic financial statements.

**PERRY TOWNSHIP
PIKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008 AND 2007**

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 Perry Township, Pike County (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, and fire protection.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. The basis is similar to the cash receipts and disbursements accounting basis. 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 Deposit

The Township had one primary checking account during the audit period.

D. Fund Accounting

The Township uses fund accounting to segregate cash deposits that are restricted as the 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 the proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Fund:

Gasoline Tax Fund – This fund receives gasoline tax money to pay constructing, maintaining, and repairing township roads.

**PERRY TOWNSHIP
PIKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008 AND 2007**

1. Summary of Significant Accounting Policies (Continued)

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. The Township did not encumber all commitments required Ohio law.

A summary of 2008 and 2007 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

2. Equity in Pooled Cash Deposits

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

	<u>2008</u>	<u>2007</u>
Demand deposits	<u>\$148,412</u>	<u>\$144,763</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation (FDIC) or collateralized by securities specifically pledged by the financial institution to the Township.

**PERRY TOWNSHIP
PIKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008 AND 2007**

3. Budgetary Activity

Budgetary activity for the years ending as follows:

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 29,940	\$ 41,841	\$ 11,901
Special Revenue	121,690	139,500	17,810
Total	\$ 151,630	\$ 181,341	\$ 29,711

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 35,011	\$ 43,551	\$ (8,540)
Special Revenue	172,837	134,141	38,696
Total	\$ 207,848	\$ 177,692	\$ 30,156

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 29,870	\$ 30,523	\$ 653
Special Revenue	103,420	131,098	27,678
Total	\$ 133,290	\$ 161,621	\$ 28,331

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 25,474	\$ 35,695	\$ (10,221)
Special Revenue	116,612	168,270	(51,658)
Total	\$ 142,086	\$ 203,965	\$ (61,879)

Contrary to Ohio law the Township did not properly certify funds prior to making expenditures.

**PERRY TOWNSHIP
PIKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008 AND 2007**

4. Property Tax

Real property taxes become a lien on January 1 preceding the October date for which the Trustees adopted tax 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 property owner elects to pay semiannually, the first half is due December 31. The second half payment is due to 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. Retirement Systems

Township officials and employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, which include postretirement healthcare and survivor and disability benefits as prescribed by the Ohio Revised Code.

The Ohio Revised Code also prescribes contribution rates. For 2008 and 2007, OPERS members contributed 10 and 9.5% respectively, of their gross salaries and the Township contributed an amount equaling 14 and 13.85%, respectively, of participants' gross salaries. The Township has paid all contributions required through December 31, 2008.

6. Risk Management

Risk Pool Membership

The Township belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to approximately 550 Ohio governments ("members").

Pursuant to section 2744.081 of the Ohio Revised Code, the Plan is 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 issues its own policies and reinsures the Plan with A-VII or better rated carriers, except for the 15% casualty and the 10% property portions the Plan retains. The Plan pays the lesser of 15% or \$37,500 of casualty losses and the lesser of 10% or \$100,000 of property losses. Individual Members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

Plan members are responsible to notify the Plan of their renewal date. If a member chooses not to renew with the Plan, they have no other obligation to the Plan. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

**PERRY TOWNSHIP
PIKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2008 AND 2007**

6. Risk Management (continued)

Risk Pool membership (continued)

Statement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

	<u>2008</u>	<u>2007</u>
Assets	\$ 10,471,114	\$ 11,136,455
Liabilities	<u>5,286,781</u>	<u>4,273,553</u>
Members Equity	<u>\$ 5,184,333</u>	<u>\$ 6,862,902</u>

You can read the complete audited financial statements for the Ohio Government Risk Management Plan at the Plan's website, www.ohioplan.org.

7. Compliance

The Township did not comply with material laws and regulations as follows:

- Contrary to Ohio law 5705.41(D) the Township did not properly encumber fund prior to expending funds.
- Contrary to Ohio law 117.38 the Township's annual report did not agree with the Township's accounting records.
- Contrary to Ohio law 5705.39 the Township's appropriations exceeded the total estimated resources at fiscal year end.
- Contrary to Ohio law 5705.41(B) the Township had expenditures in excess of appropriations
- Contrary to Ohio law 5705.36(A)(2) to Township had appropriations in excess of estimated receipts plus unencumbered beginning balance.



Report On Internal Control Over Financial Reporting and On Compliance and Other Matters Based On An Audit Of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Trustees
Perry Township
Pike County
2539 St. Rt. 41
Cynthiana, Ohio 45624

We have audited the financial statements of Perry Township, Pike County, Ohio, (the Township) as of and for the years ended December 31, 2008 and 2007, which collectively comprise the Township's basic financial statements and have issued our report thereon dated November 24, 2009, 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 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 as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Township's internal controls will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting: 2008-001 and 2008-002

A material weakness is a significant deficiency, or combination of significant deficiencies, resulting in more than a remote likelihood that the Township's internal control will not prevent or detect a material financial statement misstatement.

Perry Township

Report On Internal Control Over Financial Reporting and On Compliance and Other Matters Based On An Audit Of Financial Statements Performed in Accordance With *Government Auditing Standards*

Page 2

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, of the significant deficiencies described above, we believe findings number 2008-001 and 2008-002 are also material weaknesses.

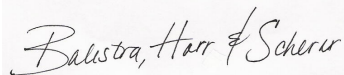
We noted a certain internal control matter that we reported to the Township's management in a separate letter dated November 24, 2009.

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 that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2008-001 through 2008-005.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated November 24, 2009.

We intended this report solely for the information and use of management and the Board of Trustees. We intend it for no one other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.
November 24, 2009

**PERRY TOWNSHIP
PIKE COUNTY
DECEMBER 31, 2008 AND 2007
SCHEDULE OF FINDINGS**

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

FINDING NUMBER 2008-001

Material Noncompliance/Material Weakness

Ohio Rev. Code, Section 5705.41 (D) states that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

This section also provides two “exceptions” to the above requirements:

- A. Then and Now Certificate – If the fiscal officer can certify that both at the time That the contract or order was made (“then”), and at the time that the fiscal officer 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 or the amount due. The Township can authorize the drawing of a warrant for the payment of the amount due. The Township has thirty days from the receipt of the “then and now” certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 maybe paid by the fiscal officer 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.

- B. Blanket Certificate – Fiscal officers 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. 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 on particular line item appropriation.
- C. 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 reasonable 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.

Purchases orders were not properly used by the Township in 2008, or 2007. Failure to properly certify funds could result in overspending the Township funds.

Every effort should be made by the Village to properly utilize the encumbrance method of accounting by certifying funds prior to making a purchase obligation. Failure to properly certify funds could result in overspending and negative fund balances.

The Township should certify purchases to which 5705.41 (D) applies. The most convenient method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The fiscal officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

Client Response:

We received no response from officials regarding the above finding.

**PERRY TOWNSHIP
PIKE COUNTY
DECEMBER 31, 2008 AND 2007
SCHEDULE OF FINDINGS**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
--

FINDING NUMBER 2008-002

Noncompliance Citation/Material Weakness

Ohio Rev. Code Section 117.38 states that cash-basis entities must file annual reports with the Auditor of State within 60 days of the fiscal year end. The Auditor of State may prescribe by rule or guidelines the form for these reports. However, if the Auditor of State has not prescribed a reporting form, the public office shall submit its report on the form used by the public office. Any public office not filing the report by the required date shall pay a penalty of twenty-five dollars for each day the report remains unfiled, not to exceed seven hundred fifty dollars. The AOS may waive these penalties, upon the filing of the past due financial report.

The report shall contain the amount of : (A) receipts, and amounts due from each source: (B) expenditures for each purpose: (C) income of any public service industry that the entity owns or operates, as well as the costs of ownership or operation; and (D) public debt of each taxing district, the purpose of the debt, and how the debt will be repaid.

The annual reports prepared by the fiscal officer were not properly supported by accounting records. The Fiscal Officer did not prepare duplicate receipts to support amounts included in the receipt ledger. The receipt ledger and appropriations ledger could not be traced to the cashbook, and the cashbook did not agree to amounts included in the annual financial reports at fiscal yearend December 31, 2007.

The Townships fiscal officer should maintain ledgers that properly support the Township's annual financial reports. Also the Townships fiscal officer should utilize duplicate receipts, and include receipts numbers in the receipt ledger and cashbook.

Client Response:

We received no response from officials regarding the above finding.

FINDING NUMBER 2008-003

Noncompliance Citation

Ohio Rev. Code Section 5705.39 provides in part that total appropriations from each fund shall not exceed the total estimated resources.

The Township had appropriations in excess of total estimated resources in the EMS fund at December 31, 2007 and in the Road & Bridge and EMS funds at December 31, 2008.

The Township should review appropriations versus amended certificates of estimated resources in order to prevent financial problems for the Township and made the necessary amendments.

Client Response:

We received no response from officials regarding the above finding.

**PERRY TOWNSHIP
PIKE COUNTY
DECEMBER 31, 2008 AND 2007
SCHEDULE OF FINDINGS**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
--

FINDING NUMBER 2008-004

Noncompliance Citation

Ohio Rev. Code Section 570.41(B) prohibits a subdivision or taxing unit from expending money unless it has been appropriated.

The Township had actual expenditures in excess of appropriations in the General, MVL, and Road and Bridge funds at December 31, 2007 and in the General, Road and Bridge, Cemetery and Fire funds at December 31, 2008.

The Township's fiscal officer should monitor all expenditures made during the year and request an amendment from the Board of Trustees.

Client Response:

We received no response from officials regarding the above finding.

FINDING NUMBER 2008-005

Noncompliance Citation

Ohio Rev. Code Section 5705.36 (A) (2) allows all subdivision to request increased amended certificates of estimated resources and reduced amended certificates upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the official certificate of estimated resources.

Amended certificates of estimated resources were not obtained during the audit period, despite estimated receipts exceeding actual receipts, disbursements exceeding appropriations, and appropriations exceeding estimated resources.

The Township's Fiscal Officer should obtain amended certificates of estimated resources from the County Budget Commission as necessary.

Client Response:

We received no response from officials regarding the above finding.

**PERRY TOWNSHIP
PIKE COUNTY
DECEMBER 31, 2008 AND 2007**

SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2006-001	ORC Section 5705.41D properly encumbering funds	No	Reissued as 2008-001
2006-002	ORC 117.38 reporting deficiencies	No	Reissued as 2008-002
2006-003	ORC 149.351(A) supporting documentation	Yes	



Mary Taylor, CPA
Auditor of State

PERRY TOWNSHIP

PIKE 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
JANUARY 5, 2010**