



Dave Yost • Auditor of State

MACOCHEE JOINT AMBULANCE DISTRICT
LOGAN COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Macochee Joint Ambulance District
Logan County
P.O. Box 414
West Liberty, Ohio 43357

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of Macochee Joint Ambulance District, Logan County, (the District) as of and for the years ended December 31, 2013 and 2012.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 B of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 B and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2013 and 2012, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of Macochee Joint Ambulance District, Logan County as of December 31, 2013 and 2012, and its cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1 B.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2014, on our consideration of the District'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Dave Yost
Auditor of State

Columbus, Ohio

September 22, 2014

**MACOCHEE JOINT AMBULANCE DISTRICT
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGE IN FUND BALANCE (CASH BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

	General
Cash Receipts:	
Property and Other Local Taxes	\$363,788
Charges for Services	197,614
Intergovernmental	50,155
Earnings on Investments	163
Miscellaneous	14,544
Total Cash Receipts	626,264
 Cash Disbursements:	
Current Disbursements:	
General Government	12,128
Public Safety	353,172
Debt Service:	
Principal Retirement	35,418
Interest and Fiscal Charges	200
Total Cash Disbursements	400,918
Excess Receipts Over Disbursements	225,346
Fund Cash Balance, January 1	12,339
 Fund Cash Balance, December 31:	
Assigned	20,500
Unassigned	217,185
Fund Cash Balance, December 31	\$237,685

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

**MACOCHEE JOINT AMBULANCE DISTRICT
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGE IN FUND BALANCE (CASH BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	General
Cash Receipts:	
Charges for Services	\$141,763
Intergovernmental	9,783
Miscellaneous	77
Total Cash Receipts	151,623
Cash Disbursements:	
Current Disbursements:	
General Government	13,145
Public Safety	160,412
Other	772
Debt Service:	
Principal Retirement	35,075
Interest and Fiscal Charges	373
Total Cash Disbursements	209,777
Excess Receipts (Under) Disbursements	(58,154)
Other Financing Receipts:	
Proceeds of Debt	70,493
Total Other Financing Receipts	70,493
Net Change in Fund Cash Balance	12,339
Fund Cash Balance, January 1	0
Fund Cash Balance, December 31:	
Assigned	12,339
Fund Cash Balance, December 31	\$12,339

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

**MACOCHEE JOINT AMBULANCE DISTRICT
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

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 Macochee Joint Ambulance District, Logan County, (the District) as a body corporate and politic. A four member Board of Trustees governs the District. Each political subdivision within the District appoints one member. Those subdivisions are Village of West Liberty, Monroe Township, Liberty Township and Union Township. The District provides emergency services within the District and by contract to areas outside the District.

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

B. Accounting Basis

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

The District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

During 2013 and 2012 the District had no investments.

D. Fund Accounting

The District uses fund accounting to segregate cash that is restricted as to use. The District classifies its funds into the following types:

1. General Fund

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

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. Appropriations lapse at year end.

**MACOCHEE JOINT AMBULANCE DISTRICT
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated. The District did not encumber all commitments required by Ohio law.

A summary of 2013 and 2012 budgetary activity appears in Note 3.

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Non-spendable

The District classifies assets as *non-spendable* when legally or contractually required to maintain the amounts intact.

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

Trustees can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by District Trustees or a District official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

**MACOCHEE JOINT AMBULANCE DISTRICT
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

G. Property, Plant, and Equipment

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

H. Accumulated Leave

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

2. EQUITY IN POOLED DEPOSITS

The District maintains deposit pool. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

	2013	2012
Demand deposits	\$237,685	\$12,339
Total deposits	\$237,685	\$12,339

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2013 and 2012 follows:

2013 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$427,660	\$626,264	\$198,604
Total	\$427,660	\$626,264	\$198,604

2013 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$440,000	\$400,918	\$39,082
Total	\$440,000	\$400,918	\$39,082

2012 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$0	\$222,116	\$222,116
Total	\$0	\$222,116	\$222,116

**MACOCHEE JOINT AMBULANCE DISTRICT
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2012 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$0	\$209,777	(\$209,777)
Total	\$0	\$209,777	(\$209,777)

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the General fund by \$209,777 for the year ended December 31, 2012.

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 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 the property owner elects to pay semiannually, 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 District

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

5. DEBT

No debt was outstanding as of December 31, 2013.

6. RETIREMENT SYSTEMS

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

The Ohio Revised Code prescribes contribution rates. For 2013 and 2012, OPERS members contributed 10% of their gross salaries and the District contributed an amount equaling 14%, of participants' gross salaries. The District has paid all contributions required through December 31, 2013.

7. RISK MANAGEMENT

Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

**MACOCHEE JOINT AMBULANCE DISTRICT
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

8. SUBSEQUENT EVENT

On August 7, 2014, the District received a grant from the Federal Emergency Management Agency (FEMA) in the amount of \$146,000 for the purchase of a new ambulance.

On September 11, 2014, the District approved entering into a contract with Robinson Building Solutions for a building addition in the amount of \$132,460.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Macochee Joint Ambulance District
Logan County
P.O. Box 414
West Liberty, Ohio 43357

To the Board of Trustees:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Macochee Joint Ambulance District, Logan County, (the District) as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements and have issued our report thereon dated September 22, 2014 wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2013-001 described in the accompanying schedule of findings to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the District'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, opining 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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2013-002 through 2013-005.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State

Columbus, Ohio

September 22, 2014

**MACOCHEE JOINT AMBULANCE DISTRICT
LOGAN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2013-001

Material Weakness - Financial Statement Adjustments and Reclassifications

The District prepared its annual financial statements in accordance with accounting practices the Auditor of State prescribes or permits. The District's annual financial report for the years ended 2013 and 2012 contained the following errors which were adjusted on the accompanying financial statement;

General Fund 2013

- Intergovernmental revenues and corresponding public safety disbursements in the amount of \$3,198 were not posted or reported.
- Intergovernmental revenues in the amount of \$46,957 were improperly classified as property tax revenues.
- Property tax revenues and corresponding debt principal and interest payments in the amount of \$35,618 were not posted or reported.
- 2012 expenses were incorrectly reported on the annual financial report in the amount of \$3,015.
- Assigned fund balance in the amount of \$20,500 were improperly classified as unassigned fund balance. Per GASB 54 paragraph 16 and the GASB 54 Implementation Guide Z.54.13, states that assigned fund balances also includes year-end general fund balances appropriated in the next fiscal year.

General Fund 2012

- Intergovernmental revenues and corresponding public safety disbursements in the amount of \$2,481 were not posted or reported on the annual financial report.
- Debt principal and interest payments in the amount of \$35,448 were not reported on the annual financial report.
- Intergovernmental and miscellaneous receipts in the amount of \$7,062 and \$62 respectively were not reported on the annual financial report.
- Public safety disbursements in the amount of \$33,898 were not reported on the annual financial report.
- Debt proceeds in the amount of \$20,493 were not reported on the annual financial report.
- Ending fund balance in the amount of \$12,339 was not presented in accordance with GASB 54. This amount was adjusted to be reported as unassigned fund balance.

In addition, the following immaterial errors were noted and were not adjusted in the accompanying financial statements;

General Fund 2013

- Intergovernmental Revenues amounting to \$1,247 were incorrectly recorded as miscellaneous and charges for services revenues.
- Property tax revenues and general government disbursements in the amount of \$10,998 were understated as property taxes were recorded at net rather than gross.

**FINDING NUMBER 2013-001
(Continued)**

The District should develop and implemented procedures to verify accurate recordkeeping of all its activities. Failure to maintain complete accountability of public monies could increase the possibility of funds being altered, impaired, lost, or stolen. Additionally, independent detailed reviews should be performed over the District's accounting records as a means of providing for their accuracy.

Official's Response:

Moving forward MJAD will ensure all money is receipted in the appropriate funds and codes.

FINDING NUMBER 2013-002

Noncompliance Citation

Ohio Rev. Code Section 5705.38(A) states, in part, that on or about the first day of each fiscal year, the taxing authority of each subdivision shall pass an appropriation measure. If it is desired to postpone the passage of the annual appropriation measure, it may pass a temporary appropriation measure for meeting the ordinary expenses of the taxing unit until no later than the first day of April.

The District did not pass an appropriation measure for 2012. Additionally, there was no budgetary data integrated into the 2012 accounting system at legal level of control.

The District should develop and implement procedures that enable the District to determine and approve the annual appropriation measure by the required date. Also, once the appropriation measure has been approved and the certificate of estimated resources has been received from the county budget commission that information should be integrated into the District's accounting system.

Official's Response:

Moving forward all temporary appropriations will be passed in December and permanent appropriations will be passed in a timely manner to the County Auditor.

FINDING NUMBER 2013-003

Noncompliance Citation

Ohio Rev. Code Section 5705.41(D)(1) states that no subdivision shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision. The fiscal officer must certify that the amount required to meet such a commitment 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 encumbrance. Further, contracts and orders for expenditures lacking prior certification shall be null and void.

There are several exceptions to the standard requirement stated above that a fiscal officer'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 the sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

**FINDING NUMBER 2013-003
(Continued)**

- A. "Then and Now" Certificate** - If the fiscal officer can certify that both at the time 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 District can authorize the drawing of a warrant for the payment of the amount due. The District has thirty days from receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts of less than \$3,000 may be paid by the fiscal officer without 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 District.
- B. Blanket Certificate** - Fiscal officers may prepare "blanket" certificates for a certain sum of money not to 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. 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.
- C. Super Blanket Certificate** – The District may also make expenditures and contract 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. The certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any one line item appropriation.

The District did not properly certify the availability of funds prior to purchase commitment for 47.6% of expenditures examined.

Unless the exceptions noted above are used, prior certification is not only required by statute, but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the District's funds exceeding budgetary spending limitations, the District should certify that the funds are or will be available prior to the obligation. When prior certification is not possible, "then and now" certification should be used.

Official's Response:

Moving forward the fiscal officer will make sure employees are aware of purchase order policies.

FINDING NUMBER 2013-004

Noncompliance Citation

Ohio Rev. Code Section 5705.41(B) prohibits making any expenditure of money unless it has been appropriated.

During 2012, the District expenditures exceeded appropriations by \$209,777. This was caused by the District's failure to approve appropriations for 2012.

**FINDING NUMBER 2013-004
(Continued)**

Failure to properly appropriate funds prior to expenditure could result in deficit spending. The District should not expend funds unless the funds have been appropriated and authorized by the Board of Trustees. The Fiscal Officer should closely monitor the District's budgetary financial reports throughout the year so that expenditures do not exceed the appropriations at the legal level of control.

Official's Response:

We did not receive a response from officials.

FINDING NUMBER 2013-005

Noncompliance Citation

Ohio Rev. Code Section 2921.42(A)(1), prohibits public officials from knowingly authorizing or employing the authority or influence of the public official's office to secure authorization of any public contract in which a member of the public official's family has an interest. Additionally, **Ohio Rev. Code Section 102.03(D)** states, in part, that no public official or employee shall use or authorize the use of the authority or influence of office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties. These statutes prohibit public officials and employees from using their official positions for their own personal benefit, for the benefit of their family members or business associates, or where there is an otherwise conflict of interest. See Ohio Ethics Commission Advisory Opinions 98-003 and 97-004.

Contrary to the aforementioned requirements, in 2012 District Chief Jerry Jones approved the squad timesheets, which included the timesheets of his spouse Sharon Jones. Sharon Jones earned \$1,762 in 2012. Chief Jones and Sharon Jones both resigned effective August 31, 2012.

The District should implement policies and procedures to verify that all district officials disclose their conflicts of interest and recuse themselves from approving timesheets of family members. Failure to do so could result in District officials' approving items that are in the best interest of the related party and not the District.

A referral letter will be sent to the Ohio Ethic's Commission.

Official's Response:

Past EMS chief Jerry Jones and his wife Sharon Jones, are no longer employed in any manner with the MJAD. During the calendar year 2012, Mr. Jones post decisions of approving any employee timesheets were not brought to the attention of the present Board members for discussion and approval. Today, MJAD Board and District Chief will monitor all transactions and will be in compliance with the ORC as described in the finding.



Dave Yost • Auditor of State

MACOCHEE JOINT AMBULANCE DISTRICT

LOGAN 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
OCTOBER 16, 2014**