



Dave Yost • Auditor of State



**THE OLANDER PARK SYSTEM  
LUCAS COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

The Olander Park System  
Lucas County  
6930 Sylvania Avenue  
Sylvania, Ohio 43560-3534

To the Board of Park Commissioners:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements and related notes of The Olander Park System, Lucas County, Ohio (TOPS) as of and for the years ended December 31, 2012 and 2011.

### ***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 TOPS' 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 TOPS' 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 of the financial statements, TOPS 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 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 TOPS as of December 31, 2012 and 2011, 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 The Olander Park System, Lucas County as of December 31, 2012 and 2011, 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.

***Emphasis of Matter***

As discussed in Note 2 to the financial statements, during 2011, TOPS adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We did not modify our opinion regarding this matter.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2014, on our consideration of TOPS' 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 TOPS' internal control over financial reporting and compliance.



**Dave Yost**  
Auditor of State

Columbus, Ohio

July 28, 2014

**THE OLANDER PARK SYSTEM  
LUCAS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCE (CASH BASIS)  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
<b>Cash Receipts</b>		
General Property Tax - Real Estate	\$865,577	\$857,927
Tangible Personal Property Tax	48	70
Intergovernmental Revenue	286,082	153,020
Investment Income	873	892
Gifts and Donations	5,536	2,303
Fees	36,888	38,879
Sales	3,127	4,053
Rentals	50,825	50,433
Refunds	5,664	6,343
Other Receipts	1,464	3,397
	<b>1,256,084</b>	<b>1,117,317</b>
<b>Cash Disbursements</b>		
Current:		
Salaries - Employees	452,305	431,019
Supplies	15,138	18,166
Materials	74,135	62,792
Equipment	946	3,000
Motor Vehicle	30,528	30,589
Contracts - Repair	4,995	4,997
Contracts - Services	159,246	122,924
Contracts - Utilities	17,759	27,185
Contract Projects	24,711	
Programs	15,728	17,679
Rentals	1,000	997
Advertising and Printing	29,010	34,988
Conference and Travel	10,104	5,684
Professional Services	31,932	54,997
FICA	6,539	6,227
Ohio Public Employees Retirement	62,719	60,401
Workers' Compensation	4,460	4,516
Unemployment Compensation	2,975	1,195
Liability Insurance	23,630	24,083
Insurance Group	56,843	36,658
Debt Service:		
Principal Retirement	175,626	113,854
Interest and Fiscal Charges	8,545	16,146
Other	25,545	18,610
	<b>1,234,419</b>	<b>1,096,707</b>
<i>Net Change in Fund Cash Balance</i>	21,665	20,610
<i>Fund Cash Balance, January 1</i>	152,470	131,860
<b>Fund Cash Balance, December 31</b>		
Unassigned	174,135	152,470
<i>Fund Cash Balance, December 31</i>	<b>\$174,135</b>	<b>\$152,470</b>

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

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**THE OLANDER PARK SYSTEM  
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**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 Olander Park System, Lucas County, (TOPS) as a body corporate and politic. The probate judge of Lucas County appoints a three-member Board of Commissioners to govern TOPS. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Commissioners may convert acquired land into forest reserves. The Commissioners are also responsible for activities related to conserving natural resources, including streams, lakes, submerged lands, and swamp lands. The Board may also create parks, parkways, and other reservations and may afforest, develop, improve and protect and promote the use of these assets conducive to the general welfare.

TOPS' management believes these financial statements present all activities for which TOPS 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. TOPS 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. Deposit and Investments**

As the Ohio Revised Code permits, the Lucas County Treasurer holds TOPS' deposits as TOPS' custodian. The County holds TOPS' assets in its investment pool, valued at the Treasurer's reported carrying amount.

**D. Fund Accounting**

TOPS uses fund accounting to segregate cash and investments that are restricted as to use. TOPS classifies its funds into the following type:

**General Fund**

The General Fund accounts for and reports all financial resources.

**E. Budgetary Process**

The Ohio Revised Code requires the Board of Commissioners to budget each fund annually.

**THE OLANDER PARK SYSTEM  
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)**

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

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the function level of control, and appropriations may not exceed estimated resources. TOPS Board must annually approve appropriation measures and subsequent amendments. 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.

**3. Encumbrances**

The Ohio Revised Code requires TOPS to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2012 and 2011 budgetary activity appears in Note 4.

**F. Fund Balance**

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

**1. Nonspendable**

TOPS classifies assets as *nonspendable* 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**

Commissioners can *commit* amounts via formal action (resolution). TOPS must adhere to these commitments unless the Commissioners 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.

**THE OLANDER PARK SYSTEM  
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)**

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

**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 TOPS Commissioners or a TOPS 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.

TOPS 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**

TOPS 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. CHANGE IN ACCOUNTING PRINCIPLE**

For 2011, TOPS has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". GASB Statement No. 54 provides fund balance classifications that can be more consistently applied and clarifies the existing governmental fund type definitions. The requirements of this statement classify fund balance as nonspendable, restricted, committed, assigned, and/or unassigned. This change had no effect on the previously stated fund balances.

**THE OLANDER PARK SYSTEM  
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)**

**3. EQUITY IN POOLED DEPOSITS**

The carrying amount of deposits at December 31 was as follows:

	2012	2011
Demand deposits	\$18,706	\$16,885
Amounts on Deposit with Fiscal Agent	155,429	135,585
Total deposits	\$174,135	\$152,470

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation. Amounts on deposit with the fiscal agent are pooled with Lucas County's deposits, and it is not feasible to determine the manner in which TOPS' deposits are insured. The extent of Lucas County's collateralization is disclosed in their audit reports for fiscal years ended December 31, 2012 and 2011.

**4. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2012 and 2011 follows:

2012 Budgeted vs. Actual Receipts

	Budgeted	Actual	
Fund Type	Receipts	Receipts	Variance
General	\$1,130,000	\$1,256,084	\$126,084
	\$1,130,000	\$1,256,084	\$126,084

2012 Budgeted vs. Actual Budgetary Basis Expenditures

	Appropriation	Budgetary	
Fund Type	Authority	Expenditures	Variance
General	\$1,261,476	\$1,244,444	\$17,032
	\$1,261,476	\$1,244,444	\$17,032

2011 Budgeted vs. Actual Receipts

	Budgeted	Actual	
Fund Type	Receipts	Receipts	Variance
General	\$1,057,000	\$1,117,317	\$60,317
	\$1,057,000	\$1,117,317	\$60,317

2011 Budgeted vs. Actual Budgetary Basis Expenditures

	Appropriation	Budgetary	
Fund Type	Authority	Expenditures	Variance
General	\$1,099,350	\$1,097,183	\$2,167
	\$1,099,350	\$1,097,183	\$2,167

**THE OLANDER PARK SYSTEM  
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011  
(Continued)**

**5. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board of Park Commissioners 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.

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

**6. RETIREMENT SYSTEM**

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

The Ohio Revised Code also prescribes contribution rates. For 2012 and 2011, OPERS members contributed 10% of their gross salaries and TOPS contributed an amount equaling 14% of participants' gross salaries. TOPS has paid all contributions required through December 31, 2012.

**7. RISK MANAGEMENT**

**Commercial Insurance**

TOPS has obtained commercial insurance for the following risks:

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

**8. SUBSEQUENT EVENTS**

TOPS purchased 40 acres of land from the Sylvania School District on February 14, 2014, – the Mitchaw Road property for \$600,000. TOPS took out a Bank loan for \$172,500 to be used toward this purchase.

TOPS purchased 32.47 acres from Brint Park Holdings on March 21, 2014, - the Brint Park real estate tax district #78-27160 for \$540,000. TOPS took out a Bank loan for \$130,725 to be used toward this purchase.

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# Dave Yost • Auditor of State

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

The Olander Park System  
Lucas County  
6930 Sylvania Avenue  
Sylvania, Ohio 43560-3534

To the Board of Commissioners:

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 Olander Park System, Lucas County, Ohio (TOPS) as of and for the years ended December 31, 2012, and 2011, and the related notes to the financial statements and have issued our report thereon dated July 28, 2014 wherein we noted TOPS followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit, and wherein TOPS adopted Governmental Accounting Standards Board Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* in 2011.

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

As part of our financial statement audit, we considered TOPS' internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of TOPS' 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 TOPS' financial statements. We consider finding 2012-002 described in the accompanying schedule of findings to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of internal control deficiencies less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2012-003 described in the accompanying schedule of findings to be a significant deficiency.

### **Compliance and Other Matters**

As part of reasonably assuring whether TOPS' 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 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 2012-001

### ***Entity's Response to Findings***

TOPS' response to the findings identified in our audit is described in the accompanying schedule of findings. We did not audit TOPS' response and, accordingly, we express no opinion on it.

### ***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 TOPS' internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering TOPS' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Dave Yost**  
Auditor of State

Columbus, Ohio

July 28, 2014

**THE OLANDER PARK SYSTEM  
LUCAS COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2012 AND 2011**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2012-001**

**Finding For Recovery**

*State ex rel. McClure v. Hagerman*, 155 Ohio St. 320 (1951), provides that expenditures made by a governmental unit should serve a public purpose. Even if a purchase is reasonable, Ohio Attorney General Opinion 82-006 indicates that it must be memorialized by a duly enacted ordinance or resolution and may have a prospective effect only.

Gary Madrzykowski received reimbursement and made the following expenditures without having proper documentation. Without proper documentation, we are unable to determine if certain reimbursements and expenditures were for a proper public purpose:

On April 23, 2012, Gary Madrzykowski, the former Director of The Olander Park System, was reimbursed \$258 for an expenditure made on December 15, 2011, which was paid with his credit card for a deposit on a conference hotel reservation. Gary Madrzykowski did not check in or stay at the hotel. Per the resort policy, reservations cancelled within 72 hours of arrival forfeit the entire deposit. The resort charged the full amount of the deposit for being a no-show. Gary Madrzykowski should not have been reimbursed the \$258.

On March 31, 2011, The Olander Park System was reimbursed \$200 for expenditures made from the petty cash fund for Easter Egg Hunt, Maple Sugar Fest, and Fishing Derby. We were unable to obtain any support evidencing that the expenditure was made. The Olander Park System's petty cash fund should not have been reimbursed for the \$200 without the appropriate supporting documentation. Gary Madrzykowski, the former Director was the custodian of the petty cash fund.

On June 29, 2011, the Olander Park System was reimbursed \$148 for expenditures made from the petty cash fund, \$25 for supplies, and \$123 for staff training. The total reimbursement for \$148 included supporting invoices for \$118. We were unable to obtain any support evidencing that \$30 was expended for supplies or staff training. The Olander Park System's petty cash fund should not have been reimbursed for the \$30 without the appropriate supporting documentation. Gary Madrzykowski, the former Director was the custodian of the petty cash fund.

On March 23, 2012, a check written to cash for \$200, signed by Gary Madrzykowski, cleared The Olander Park System's Charter One bank account. The \$200 was purportedly expended for the Easter egg hunt program supplies from the petty cash fund. On March 29, 2012, The Olander Park System was reimbursed by the County, \$368 for expenditures made from the petty cash fund, \$168 for Easter Egg Hunt program supplies, and \$200 for petty cash. The total reimbursement for \$368 included the supporting invoices for \$168. We were unable to obtain any support evidencing that the \$200 was expended on the Easter egg hunt program supplies. The Olander Park System's petty cash fund should not have been reimbursed for the \$200 without the appropriate supporting documentation. Gary Madrzykowski, the former Director was the custodian of the petty cash fund.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a finding for recovery for public monies illegally expended is hereby issued against Gary Madrzykowski, in the amount of \$688 and in favor of The Olander Park System.

## FINDING NUMBER 2012-002

### Material Weakness - Debt Classifications

The Olander Park System (TOPS) should have procedures in place to prevent or detect misstatements for the accurate presentation of TOPS' financial statements.

Payments of Principal in the amount of \$113,854 in 2011 and \$175,626 in 2012, along with \$16,146 and \$8,545 respectively, for Payment of Interest for the Land Loan were misclassified as Contract Projects and Professional Services cash disbursements.

The above resulted in two reclassifications. As a result, the financial statements did not correctly reflect the financial activity of TOPS. The accompanying financial statements have been adjusted to reflect these amounts in the correct accounts.

We recommend the Director post all transactions in accordance with the guidance established by the Auditor of State. Further, TOPS should adopt policies and procedures including a final review of the financial statements by the Director and Board of Park Commissioners to ensure that errors and omissions are detected and corrected.

## FINDING NUMBER 2012-003

### Significant Deficiency - Purchasing and Reimbursements from the Fiscal Agent

The Lucas County Auditor serves as fiscal agent for The Olander Park System (TOPS). The County processes and reimburses expenditures made from TOPS' bank accounts, employees, and petty cash.

Purchase requisitions are approved by the County through the PeopleSoft system and purchase orders are created and dispatched to TOPS. Vouchers are created and invoices are attached to the voucher. One of the three Park Commissioners reviews, and approves the expenditure. The vouchers and invoices are then taken to the Auditor's office. Checks are processed and TOPS is reimbursed for expenses paid from TOPS' bank accounts, employees or petty cash fund.

When testing expenditures reimbursed by the County, we have identified the following:

- TOPS does not have written policies and procedures for purchasing, processing, and documenting submissions to the County Auditor's Office for reimbursements of expenditures made to TOPS' bank accounts, employees or petty cash.
- Supporting documentation was not available, incomplete, or inaccurate for five transactions.
- TOPS does not account for balances, replenishments, or usage of its petty cash fund.
- The Director of TOPS was the custodian over the petty cash fund.
- The former Director has made \$4,412 of unauthorized expenditures, of which \$3,544 has been repaid.

These conditions have resulted in missing, incomplete, and inaccurate supporting documentation, the misappropriations of public monies, and the issuance of a Finding For Recovery for public money which has been illegally expended for \$688.

**FINDING NUMBER 2012-003 (Continued)**

To improve the above conditions we recommend The Olander Park System Commissioners:

- Establish and implement written policies and procedures for purchasing, processing and documenting submissions to the County Treasurer's Office for reimbursements of expenditures made to TOPS' bank accounts, employees or petty cash fund.

The written policies and procedures should include the initiation of making a purchase, management's approval to make the expenditure, and that the expenditure is for a proper public purpose, has the proper account coding, and is paid timely for the correct amount to an approved vendor and the proper supporting documentation has been maintained.

- Establish and implement petty cash policies and procedures for the usage of a petty cash fund.

The policies and procedures should include the development of a threshold to be maintained as a balance, development and implementation of a petty cash log identifying usage, replenishment, and the petty cash balance, and the development of internal controls to prevent misappropriations of public funds.

Internal controls should include:

1. The method of securing the petty cash funds as a separate balance within the safe, where unauthorized access is prevented;
  2. Determining TOPS personnel authorized to access the petty cash funds, and personnel accessing the petty cash funds should sign and date the log, and record the amount disbursed or receipted into the petty cash fund;
- Review and approve all written policies and procedures and monitor the implementation of the policies and procedures. This can be accomplished by reviewing expenditures on a regular basis through the approval process, observing trends, and comparison of expenditures to the budget, verification of the petty cash balance on hand to the amount reported in the petty cash log, review for proper usage of the log (i.e. signatures and dates of personnel accessing the petty cash fund), and reviewing the expenditures made from petty cash fund for proper public purpose.

**Officials' Response:**

The Olander Park System has made a number of changes and will be approving policies related to the items listed in Auditor's report at our August 22, 2014 Board of Commissioners meeting.

**THE OLANDER PARK SYSTEM  
LUCAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2012 AND 2011**

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>
2010-001	Ohio Rev. Code § 5705.41(B) for expenditures in excess of appropriations.	Yes	



# Dave Yost • Auditor of State

## THE OLANDER PARK SYSTEM

### LUCAS 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  
JULY 31, 2014