



Dave Yost • Auditor of State



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Brookside Park District
Belmont County
400 Jefferson Street, Apt. B
Martins Ferry, Ohio 43935

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Brookside Park District, Belmont County, Ohio (the Park District), for the years ended December 31, 2015 and 2014.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the Park District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Park District's financial statements, transactions or balances for the years ended December 31, 2015 and 2014.

The Park District's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 117.11(A) is to examine, analyze and inspect these records and documents.

Current Year Observations

1. Ohio Rev. Code § 117.38 states each public office shall file a financial report for each fiscal year. The report shall be certified by the proper officer or board and filed with the Auditor of State within sixty days after the close of the fiscal year. The Auditor of State may extend the deadline for filing a financial report and establish terms and conditions for any such extension. The Park District filed its 2015 and 2014 annual financial reports on June 8, 2016 and June 7, 2016, respectively. An extension was obtained for 2015 through May 31, 2016 and no extension was obtained for 2014. The Park District should submit the annual financial report each year in accordance with the aforementioned requirements.
2. Ohio Rev. Code § 5705.41(C) states no subdivision or taxing unit is to make any expenditure of money except by a proper warrant drawn against an appropriate fund. The Park District Fiscal Officer wrote two checks payable to cash from the checking account in the amount of \$200 in 2015 and \$200 in 2014 to serve as a change fund for the Park District's Community Days events. This money was eventually deposited back into the Park District's checking account. The Park District should not make checks payable to cash and should adopt a resolution or ordinance establishing a change fund. The resolution or ordinance should specify the maximum dollar amount for the change fund, designate the official responsible for the change fund, and procedures for reconciling the change fund.
3. The Park District did not accurately prepare the 2015 annual financial report. In 2015, the Park District failed to report expenditures in the amount of \$690. The Park District should include all financial activity occurring throughout the year on its annual financial report.

Current Year Observations (Continued)

4. The Park District should have internal controls in place to reasonably assure that budgetary accounts, at the legal level of control or lower, are integrated into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations. Because the Fiscal Officer did not maintain receipt and appropriation ledgers, budgetary information was not integrated into the financial accounting system. The Fiscal Officer should record estimated receipts per the Official Certificate of Estimated Resources and appropriations approved by the Board of Park Commissioners, as well as any amendments, to the accounting ledgers for proper budgetary integration. The Fiscal Officer should periodically present budget vs. actual results to the Board of Park Commissioners. As part of their monitoring responsibilities, the Board of Park Commissioners should review this information and should inquire of the Fiscal Officer if they note apparent errors in the budget or actual data and should also use this information to determine if they should amend estimated revenue or appropriations.
5. The Park District holds a Chinese auction each year during the Community Days events by selling tickets and giving away prizes. The Park District also sells snacks and gifts each year during this event. Our review of sales sheets revealed the following weaknesses:
 - In 2015, no reconciliation was performed between the number of tickets sold and the amount of revenue collected each day of the event.
 - Pre-numbered tickets were not issued.
 - Board approval of ticket prices and sales prices to be charged was not indicated in the minutes.
 - The Park District did not implement the use of any accountability over 2014 sales of tickets or any other items.

Ticket sales and other event sales should be tracked through the form of pre-numbered tickets or accounted for using a log or accountability sheet. A reconciliation form should be established and completed to ensure the amount collected agrees to the number of items sold and event tickets issued. This form should be completed and signed by the individual selling the items and tickets and reviewed and approved by a designated Park District employee.

Current Status of Matters We Reported in our Prior Engagement

6. In the prior basic audit, we reported noncompliance with Ohio Admin. Code §§ 117-2-02(A) and 117-2-02(D) that the Park District did not maintain a receipt ledger and an appropriation ledger. The Park District maintained a cash journal during the audit period; however, no receipt ledger or appropriation ledger was maintained. The Park District should maintain a separate receipt and appropriation ledger in accordance with the aforementioned requirements.



Dave Yost
Auditor of State
Columbus, Ohio

July 12, 2016



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BROOKSIDE PARK DISTRICT

BELMONT 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 26, 2016**