



Dave Yost • Auditor of State





# Dave Yost • Auditor of State

Chesterhill-Marion Union Cemetery  
Morgan County  
P.O. Box 62  
Chesterhill, Ohio 43728

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Chesterhill-Marion Union Cemetery, Morgan County, Ohio (the Cemetery), for the years ended December 31, 2015 and 2016.

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 Cemetery's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Cemetery's financial statements, transactions or balances for the years ended December 31, 2015 and 2016.

The Cemetery'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 Observation**

Ohio Rev. Code § 117.38 provides, in part, that each public office, other than a state agency, 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 Cemetery's 2016 and 2015 financial reports were not filed until June 7, 2017. Management should file financial reports within sixty days after the close of the fiscal year.

## **Current Status of Matters we Reported in our Prior Engagement**

1. Our prior audit for the years ended December 31, 2014 and 2013 included a noncompliance citation for not issuing a Form 1099 for independent contractors that were paid \$600 or more. This citation has not been addressed during our review. Internal Revenue Code §1.6041-1 states, in part, entities that pay any independent contractors (other than a corporation) \$600 or more during a year must issue a Form 1099.

This matter was not corrected for the years ended December 31, 2016 and 2015.

2. Our prior audit for the years ended December 31, 2014 and 2013 included a control deficiency for not having adequate segregation of duties. This deficiency was not addressed during our review. When designating the public office's system of internal control and specific control activities, management should plan for adequate segregation of duties or compensating controls. The Board of Trustees should perform procedures to monitor the financial activity of the Cemetery.

The small size of the Cemetery's staff did not allow for an adequate segregation of duties, the Cemetery Clerk-Treasurer performed all accounting functions. It is, therefore, important that the Board of Trustees monitor financial activity closely. There was no documentation of the extent to which the Board of Trustees reviewed vouchers for payment, financial reports and records to monitor financial activity of the Cemetery.

**Current Status of Matters we Reported in our Prior Engagement (Continued)**

This could result in unauthorized expenditures, the ledgers of the Cemetery not being posted up-to-date, errors in the reconciliation, and errors and omissions occurring in the Cemetery's annual report without the timely knowledge of the Board of Trustees.

The Board of Trustees should review financial information on a regular basis. This information should include vouchers for payment, reconciliations, as well as revenue and expenditure activity and balance reports. A periodic review should also be performed on the Cemetery's cash book and deed records to gain assurances that the records are posted up-to-date, in agreement with the presented reports and reflect authorized transactions. The reviews would be documented in the minutes of the Board of Trustees meetings.

This matter was not corrected for the years ended December 31, 2016 and 2015.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 14, 2017



# Dave Yost • Auditor of State

**CHESTER MARION UNION CEMETERY**

**MORGAN 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  
JUNE 27, 2017**