

DEERFIELD TOWNSHIP, ROSS COUNTY

Independent Accountant's Report on Applying Agreed-Upon Procedures

> For the Years Ended December 31, 2019 and 2018







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Board of Trustees Deerfield Township PO Box 177 Clarksburg, Ohio 43115

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of Deerfield Township, Ross County, prepared by J.L. Uhrig and Associates, Inc., for the period January 1, 2018 through December 31, 2019. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

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. Deerfield Township is responsible for compliance with these laws and regulations.

Keith Faber Auditor of State Columbus, Ohio

June 10, 2020

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CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Deerfield Township Ross County PO Box 177 Clarksburg, Ohio 43115

We have performed the procedures enumerated below, with which were agreed to by the Board of Trustees and the management of Deerfield Township, Ross County, Ohio (the Township) and the Auditor of State, on receipts, disbursements and balances recorded in the their cash-basis accounting records for the years ended December 31, 2019 and 2018, and certain compliance requirements related to these transactions and balances, included in the information provided to us by management of the Township. The Township is responsible for recording transactions; and management and the Board are responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Township. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash

- 1. We recalculated the December 31, 2019 and December 31, 2018 bank reconciliations. We found no exceptions.
- 2. We agreed the January 1, 2018 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2017 balances in the prior year documentation in the Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2019 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2018 balances in the Fund Ledger Report. We found no exceptions.
- 3. We agreed the totals per the bank reconciliations to the total of the December 31, 2019 and 2018 fund cash balances reported in the Fund Status Report and the financial Statements filed by the Township in the Hinkle System. The amounts agreed
- 4. We confirmed the December 31, 2019 bank account balances with the Township's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2019 bank reconciliation without exception.



- 5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2019 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. There were no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

- 1. We selected a total of five receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution List (DTL) and the Ross County Auditor Audit Trail Report for 2019 and a total of five from 2018:
 - a. We compared the amount from the above named report(s) to the amount recorded in the Receipt Detail Report. The amounts agreed.
 - b. We inspected the Receipt Detail Report to determine these receipts were allocated to the proper fund(s) as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Receipt Detail Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
- 2. We inspected the Receipts Detail Report to determine whether it included two real estate tax receipts for 2019 and 2018. The Receipt Detail Report included the proper number of tax receipts for each year.

Debt

1. From the prior agreed-upon procedures documentation, we observed the following loan was outstanding as of December 31, 2017. This amount agreed to the Township's January 1, 2018 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2017	
Firehouse Note Retirement	\$5,882	

2. We inquired of management, and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2019 and 2018 or Debt Payment Activity during 2019 or 2018. We noted no new debt issuances; however, we did find debt payment activity during 2018.

3. We obtained the Principal and Interest Accounts in the Appropriation Ledger for 2018 and 2019 and agreed principal and interest payments from the related debt amortization schedule listed on the invoice to Gasoline Tax fund payments reported in the Payment Register Detail Report. We also compared the date the debt service payments were due to the date the Township made the payments. We found no exceptions.

Payroll Cash Disbursements

- 1. We selected one payroll check for five employees from 2019 and one payroll check for five employees from 2018 from the Wage Detail Report and:
 - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We inspected the fund and account code(s) to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the minute record or as required by statute. We also confirmed the payment was posted to the proper year. We found no exceptions.
- 2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2019 to confirm remittances were timely paid, and the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2019. We observed the following:

Withholding	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes	January 31,	January 1, 2020		
& Medicare	2020		\$1,340.97	\$1,340.97
State in come tonice	January 15,	January 3, 2020		
State income taxes	2020		\$478.83	\$478.83
OPERS retirement				
(withholding plus	January 31,			
employer share)	2020	January 6, 2020	\$1,319.86	\$1,319.86

- 3. For the pay periods ended November 30, 2019 and July 31, 2018 we
 - a. Recomputed the allocation of the Board's Salary amounts to the General and Gas Tax Fund per the Payment Register Detail Report. We found no exceptions.
 - b. Traced the Boards' salary for time or services performed to supporting certifications the Revised Code requires. We found no exceptions.

- 4. We compared total gross pay for the Fiscal Officer and each Board Member for 2019 and 2018 to the compensation permitted by Ohio Revised Code Sections 507.09 and 505.24, respectively. We found no exceptions.
- 5. We inquired of management and inspected the Payment Register Detail Report for the years ended December 31, 2019 and 2018 to determine if the Township employees and/or trustees were reimbursed for out-of-pocket insurance premiums. Insurance reimbursements made were in compliance with ORC 505.60 and 505.601.

Non-Payroll Cash Disbursements

- 1. We selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2019 and ten from the year ended 2018 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
 - d. The fiscal officer certified disbursements requiring certification or issued a *Then* and *Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

- 1. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2019 and 2018 for the General, Road and Bridge, and Cemetery funds, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.
- 2. We inspected the 2019 and 2018 Revenue Status Reports and Appropriation Status Reports for evidence of Interfund transfers exceeding \$500 which Ohio Rev. Code Sections 5705.14-.16 restrict. We found no evidence of any transfers.
- 3. We inspected the Cash Summary by Fund Report for the years ended December 31, 2019 and 2018 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (l) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. No funds had a negative cash fund balances.

Sunshine Law Compliance

- 1. We obtained and inspected the Township's Public Records Policy to determine the policy did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
- 2. We selected public records requests from the engagement period and inspected each request to determine the Township was compliant and responded to the request in accordance with their adopted policy. The Township did not receive a public records request during the AUP period.

Date Request Received	Date Request Fulfilled	Policy Response Time (in Business days)	Actual Response Time (in Business days)
n/a			

- 3. We selected denied public records requests from the engagement period and inspected the request to determine the Township provided an explanation which included the legal authority to the requester. The Township did not receive any public records request during the engagement period.
- 4. We selected public records requests with redactions from the engagement period and inspected to determine the Township was redacting records and making the redactions visible, and provided an explanation which included the legal authority to the requester. The Township did not receive any public records request during the engagement period.
- 5. We inquired whether the Township has a records retention policy, and if that policy is readily available to the public. We found no exceptions.
- 6. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager. We found no exceptions.
- 7. We inspected the Township's policy manual and determined the public records policy was included. We found no exceptions.
- 8. We inquired whether the Township's poster describing their Public Records Policy was displayed conspicuously in all branches of the Township. We found no exceptions.
- 9. We selected applications submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. We inspected the approval by the Records Commission for the selected applications and the review of the schedules. (Note: the records retention schedule is not the same policy as the public records policy.) The Township did not request approval to dispose records during the engagement period.

- 10. We inspected the individual training certificates and determined whether each elected official (or his/her designee) successfully attended a certified three-hour Public Records Training for each term of office. We found no exceptions.
- 11. We inspected the public notices for the public meetings held during the engagement period and determined the Township notified the general public and news media of when and where meetings during the engagement period are to be held. We found no exceptions.
- 12. We inspected the minutes of public meetings during the engagement period and determined whether they were:
 - a. Prepared a file is created following the date of the meeting
 - b. Filed placed with similar documents in an organized manner
 - c. Maintained retained, at a minimum, for the engagement period
 - d. Open to public inspection available for public viewing or request.

We found no exceptions.

- 13. We inspected the minutes from the engagement period and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.

We found no exceptions.

Other Compliance

- 1. Ohio Rev. Code Section 117.38 requires townships to file their financial information in the Hinkle System within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Township filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy, within the allotted timeframe for the years ended December 31, 2019 and 2018 in the Hinkle System. There were no exceptions.
- 2. We inquired of the fiscal officer and inspected the Fiscal Integrity Act Portal to determine whether the Fiscal Officer obtained the training required by Ohio Rev. Code Section 507.12 and 733.81. Fiscal Officer obtained the required training.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Township's receipts, disbursements, balances and compliance within certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in the evaluation of the Township receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2019 and 2018, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

J.L. Uhrig and Associates. Inc.

J. L. UHRIG AND ASSOCIATES, INC. Chillicothe, Ohio

May 5, 2020

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DEERFIELD TOWNSHIP

ROSS 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 Babbrtt

CLERK OF THE BUREAU

CERTIFIED JUNE 23, 2020

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