



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



One First National Plaza  
130 West Second Street, Suite 2040  
Dayton, Ohio 45402-1502  
(937) 285-6677 or (800) 443-9274  
WestRegion@ohioauditor.gov

Jackson-Forest Ambulance District  
Hardin County  
1699 Township Road 195  
Forest, Ohio 45843

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Jackson-Forest Ambulance District, Hardin County (the District) for the years ended December 31, 2019 and 2018.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

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

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

### Current Year Observations

1. **Ohio Rev. Code § 149.43(B)(2)** requires "a public office to have available a copy of its current records retention schedule at a location readily available to the public." The District did not have a records retention schedule. The District should adopt a records retention schedule and post it in a location that is available to the public.
2. **Ohio Rev. Code § 117.38** states, in part, that each public office, shall file a financial report for each fiscal year with the Auditor of State within sixty days after the close of the fiscal year. Any public office, that does not file its financial report at the time required by this section shall pay to the auditor of state twenty-five dollars for each day the report remains unfiled after the filing date; provided, that the penalty payments shall not exceed the sum of seven hundred fifty dollars.

In addition, the failure to file the financial report by the due date may result in the District not being eligible for reduced audit services in the future, such as a basic audit or agreed upon procedures. The 2019 financial report was due to be filed on March 2, 2020 but was not filed until March 5, 2020.

The District should monitor the filing of the annual financial report to verify it is completed by the required date.

### 3. Recording of On Be-Half Financial Activity

In 2019, the District received loan proceeds in the amount of \$63,298 that were paid by the bank directly to the vendor. The loan proceeds and related payment were not recorded in the accounting records. The failure to record on be-half payments results in the understatement of financial activity in the accounting records and financial statements.

## **Current Year Observations (Continued)**

The District should implement procedures to verify all on-be-half financial activity is recorded in the accounting records and financial statements.

### **4. Bank to Book Reconciliation**

We examined the bank to book reconciliation prepared as of December 31, 2019. The bank to book reconciliation had an unexplained variance of \$164 with the bank balance being higher than the book balance.

The failure to prepare accurate bank to book reconciliations increases the risk that errors and/or irregularities could occur and not be detected in a timely manner. In addition, the failure to reconcile could result in the District being declared un-auditable and/or not being eligible for reduced audit services.

The bank to book reconciliations should include the balances of all accounts, include all reconciling items, and be agreed to the fund balance in the accounting system. Unexplained variances should be investigated and resolved in a timely manner. The Board of Trustees should review and approve the bank to book reconciliations each month.

### **5. Credit Card Policy**

The District used a credit card during 2019 or 2018 but did not have a formal policy governing its use. The District should adopt a credit card policy to comply with the requirements of **House Bill 312**. Auditor of State Bulletin 2018-003 can be utilized as guidance when adopting the policy, to ensure that authorized users are making that transactions and the disbursements are for proper public purposes.

### **6. Organizational Document**

The District is governed by a three-member Board Trustees appointed by the two villages and the one township that receives ambulance services from the District. This structure is consistent with an entity formed under **Ohio Rev. Code § 505.375(A)(1)(a)** which is an ambulance district formed by the boards of one or more townships and the legislative authorities of one or more municipal corporations. The District was unable to provide a copy of the legal document creating the District.

The failure to maintain a copy of this document could impact the District's ability to operate and could result in unnecessary legal costs in the event the organizational structure is challenged.

The District should obtain copies of the documents(s) from the political subdivisions that established the District. The document(s) should then be maintained by the District for future reference.

### **7. Approval of Adjustments to Billing Runs**

Non-cash adjustments were made to accounts by the third party emergency medical service billing company used by the District. There was no evidence that these adjustments were reviewed by the Clerk and/or presented to the Board of Trustees for review and approval.

To reduce of the risk of errors and/or irregularities, the adjustments report provided by the billing company should be presented to the Board of Trustees for review and approval.

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

There were no matters reported in the prior audit report.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State  
Columbus, Ohio

July 24, 2020

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



**JACKSON FOREST AMBULANCE DISTRICT**

**HARDIN COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 8/11/2020**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)