



OHIO AUDITOR OF STATE
KEITH FABER



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Transportation Improvement District
Athens County
16000 Canaanville Road
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We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Transportation Improvement District, Athens County, Ohio (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 § 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 § 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(E)(2) requires public offices to adopt a public records policy. Ohio Rev. Code § 149.43(B)(7)(c) provides guidance for a required public records policy to be approved by the Board. The approved public records policy should 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. The Ohio Attorney General developed a model public records policy for responding to public records requests in compliance with Ohio Rev. Code §149.43 in order to provide guidance to public offices in developing their own public record policies. This model policy is available at <https://www.ohioattorneygeneral.gov/Files/Government-Entities/Model-Public-Records-policy.aspx>. The Board did not approve a formal public records policy. This can result in improper treatment of public records requests. The Board should approve a formal public records policy containing all the required elements. The policy should be included in District's policy manual and displayed in all the branches of the District as required by Ohio Rev. Code § 149.43(E)(2).
2. Ohio Rev. Code § 149.43(B)(2) provides that the District should have an approved records retention schedule which is readily available to the public. The Board did not approve a formal records retention schedule. This could lead to improper destruction of records. The Board should approve the required record retention schedule.

Current Year Observations (Continued)

3. Ohio Rev. Code § 117.38 requires entities filing on a cash-basis to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. Any public office not filing the report by the required date may be required to pay a penalty of \$25 for each day the report remains unfiled, not to exceed \$750. The Auditor of State may waive these penalties, upon the filing of the past due financial report. The report shall contain the following:
- (1) Amount of collections and receipts, and accounts due from each source;
 - (2) Amount of expenditures for each purpose;
 - (3) Income of each public service industry owned or operated by a municipal corporation, and the cost of such ownership or operation;
 - (4) Amount of public debt of each taxing district, the purpose for which each item of such debt was created, and the provision made for the payment thereof

Further, in our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; 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 as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The District filed the 2018 Hinkle report indicating no financial activity occurred for that year. However, the report should have included \$42,000 in receipts and expenditures relating to a bridge project. This activity was not recorded in the District's fund in the fiscal agent's system and, subsequently, was not reflected in the Hinkle report.

The Board should record all activity relating to the District in the District's fund in the accounting system used. Further, the Board should record all activity relating to the District and in the annual financial report filed in the Hinkle System.



Keith Faber
Auditor of State
Columbus, Ohio

July 29, 2020

OHIO AUDITOR OF STATE KEITH FABER



ATHENS COUNTY TRANSPORTATION IMPROVEMENT DISTRICT

ATHENS 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

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This report is a matter of public record and is available online at
www.ohioauditor.gov