



OHIO AUDITOR OF STATE
KEITH FABER



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Village of Hollansburg
Darke County
Hollansburg, Ohio 45332

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Village of Hollansburg, Darke County, (the Village) 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 Village's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

The Village'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. The Village is required to deduct retirement contributions from all employee compensation. Village employees are required to contribute to the Ohio Public Employees Retirement System (OPERS). The Village is then responsible to contribute the employer share to the retirement system. The Village withheld and remitted social security rather than the Ohio Public Employees system (OPERS) from the Village's one street maintenance employee during 2018. The Fiscal Officer should take procedures to verify that all employees are paid from the appropriate retirement system. Employee and employer contributions should then be remitted to the proper retirement fund.
2. The Fiscal Officer did not obtain the required fiscal integrity continuing education training as required by Ohio Revised Code § 733.81. Failure to obtain the required training could result in improper knowledge of fiscal officer requirements.
3. None of the Council members nor the Fiscal Officer attended public records training as required by Ohio Revised Code § 109.43(B). Failure to do so could result in violation of Sunshine laws.
4. The Village does not have a records retention policy or schedule as required by Ohio Revised Code § 149.43(B)(2).
5. Ohio Revised Code § 149.43(E)(2) provides, in part, that the public office shall create a poster that describes its public records policy and shall post the poster in a conspicuous place in the public office and in all locations where the public office has branch offices. The Village does not have the Public Records Policy on display in a conspicuous place at the Village building.

6. The Village had not established a credit card policy to govern the use of its credit card. The Council should approve a credit card policy that is in compliance with the House Bill 312 statutory requirements. In addition to the House Bill, additional information can be found in Auditor of State Bulletin 2018-003 and Optional Procedures Manual Section O-22 of the Ohio Compliance Supplement which are available at <https://ohioauditor.gov>.

Current Status of Matters Reported in our Prior Engagement

Our prior audit for the years ended December 31, 2017 and 2016 included five findings. Findings #1 (timely filing in the Hinkle system), #3 (incorporating budgeted receipts into the manual accounting records), #4 (negative fund balance for the Fire Fund), and #5 (failure to establish a Park Fund) were corrected during the current audit period. Finding #2 (failure to withhold OPERS for the street maintenance employee) was not corrected and is repeated as current year observation #1 above.



Keith Faber
Auditor of State

Columbus, Ohio

May 12, 2020

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VILLAGE OF HOLLANSBURG

DARKE 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
MAY 26, 2020**