



OHIO AUDITOR OF STATE
KEITH FABER



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Killbuck Community Improvement Corporation
Holmes County
Killbuck, Ohio 44637

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Killbuck Community Improvement Corporation, Holmes County, (the CIC) for the years ended December 31, 2020 and 2019.

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 CIC's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the CIC's financial statements, transactions or balances for the years ended December 31, 2020 and 2019.

The CIC'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. We noted the CIC did not file their Financial Statement on the Hinkle System in a timely manner. **Ohio Rev. Code § 1724.05** states that each community improvement corporation shall prepare an annual financial report that conforms to rules prescribed by the auditor of state pursuant to §117.20 of the Revised Code, that is prepared according to generally accepted accounting principles, and that is certified by the board of directors of the corporation or its treasurer or other chief fiscal officer to the best knowledge and belief of those persons certifying the report. The financial report shall be filed with the auditor of state within one hundred twenty days following the last day of the corporation's fiscal year, unless the auditor of state extends that deadline. The CIC reported their 2019 and 2020 financial statements on the cash basis of accounting. In addition, they filed the 2019 financial statements on June 3, 2020 which is more than 120 days after fiscal year-end. The deadline was not extended by the Auditor of State.
2. **Ohio Rev. Code § 149.43(E)(2)** provides that every public office must have a policy in place for responding to public records requests. Generally, a public records policy cannot: (1) limit the number of public records the office will make available to a single person; (2) limit the number of public records the office will make available during a fixed period of time; and (3) establish a fixed period of time before the office will respond to a request for inspection/copying of public records unless that period is less than eight hours. However, pursuant to **Ohio Rev. Code § 149.43(B)(7)(c)**, the policy may limit the number of public records the public office will physically deliver by U.S. Mail or other delivery service to ten per month unless the person certifies to the office in writing that the person does not intend to use or forward the requested records, or the information contained in them, for commercial purposes. "Commercial" is narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research.

Ohio Rev. Code § 149.43(E)(2) further requires all public offices take certain actions with regard to their public record policy. Public offices must distribute their Public Records Policy to the employee who is the records custodian/manager or otherwise has custody of the records of that office and have that employee acknowledge receipt of the Public Records Policy; create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy; and, if the public office has a manual or handbook of its general policies and procedures for all employees, include the public records policy in that manual or handbook.

The CIC has no formal written policy that would demonstrate compliance with the Ohio Revised Code. This could result in records requests not being fulfilled in accordance with Ohio law.

The CIC shall establish a public records policy. The policy shall be distributed to the records custodian/manager and the CIC should have a written acknowledgement of receipt from the records custodian/manager. In addition, a poster describing the public records policy must be conspicuously displayed in all of the CIC's branch offices and the public records policy must be included in policy manuals or handbooks if any exist.

3. Pursuant to **Ohio Rev. Code § 149.43(B)(2)**, the CIC shall have available a copy of its current records retention schedule at a location readily available to the public. Any application or schedule for the destruction of records must be sent to the Ohio Historical Society for review to determine whether any of the records are of historical value. Once reviewed by the Ohio Historical Society, the applications are then forwarded to the Auditor of State's Office, General Services Department for final approval.

The CIC does not currently have a records retention policy.

We recommend the CIC develop a records retention policy.

Current Status of Matters Reported in our Prior Engagement

1. In our prior basic audit, we noted the CIC did not file their Financial Statements on the Hinkle System in a timely manner. The CIC did not file their 2019 financial statements in a timely basis as noted above in current year observation 1.



Keith Faber
Auditor of State
Columbus, Ohio

July 13, 2021

OHIO AUDITOR OF STATE KEITH FABER



KILLBUCK COMMUNITY IMPROVEMENT CORPORATION

HOLMES 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 7/27/2021

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