



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Jackson County Soil and Water Conservation District
Jackson County
2026 Fairgreens Rd
Jackson, Ohio 45640

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Jackson County Soil and Water Conservation District, Jackson County, Ohio (the District), for the years ended December 31, 2021 and 2020.

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 Township'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, 2021 and 2020.

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, in part, all public offices to create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy.

The District did not have their public records policy displayed.

A poster describing the public records policy must be conspicuously displayed in all of the District's branch offices.

2. **Ohio Administrative Code 117-2-02** requires all local public offices to maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and reports its transactions, maintain accountability for the related assets, (and liabilities, if generally accepted accounting principles apply), document compliance with finance related legal and contractual requirements and prepare financial statements required by 117-2-03 of the Administrative Code. We identified the following conditions related to the above criteria:

No monthly bank reconciliations were performed over the District bank account once the District went to a manual spreadsheet in March 2019 until June 2021. Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. Although the activity of the District was limited during the period, the District's Treasurer should maintain a detailed general ledger of receipts and disbursements and perform a monthly reconciliation. In addition, the Board should be provided the monthly reconciliations in order to keep them aware of the financial position of the District.

Current Year Observations (Continued)

2. Ohio Administrative Code § 117-2-02 (Continued)

Failure to maintain an accurate general ledger may result in a loss of information regarding the details of specific receipts and disbursements such as date, source, invoice details, etc, and results in an inability to properly reconcile the cash account to the general ledger, and may result in loss of financial accountability and possible misappropriation or misuse of funds.

3. Maintaining organized documentation and support for financial transactions is essential in assuring the District's financial statements are not materially misstated and that all expenditures are made for a proper public purpose. Additionally, **Ohio Rev. Code § 149.351** requires all records that are the property of the public office shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under Ohio Rev. Code §§149.38 through 149.42.

The District did not maintain underlying documentation and support for:

- Check #3859 written to US Postal Service totaling \$55.00 dated 12/7/2020, noted in QuickBooks as 'other';
- Check #3862 written to Annetta Lewis totaling \$55.00 dated 2/23/2021, nothing noted for purpose of check;
- Check #3872 written to Kelton Collins totaling \$58.65 dated 3/31/2021, the check stub stated that this was mileage check;
- Check #3878 written to Brian Brown totaling \$37.00 dated 5/6/2021, noted in QuickBooks as 'Fish Sale';
- We also noted several checks handwritten with 'refund' written on the stub with no further information to determine if the amounts refunded were accurate.

Failure to maintain underlying documentation and support of financial transactions can increase the risk of fraud, result in financial statement misstatements, and expenditures that are not for a proper public purpose.

The District should maintain all invoices/receipts, purchase orders, mileage logs, etc. for all financial transactions and records be maintained in an orderly manner to support all transactions.

Current Status of Matters Reported in our Prior Engagement

In addition to the matters reported above, our prior basic audit for the years ended December 31, 2019 and 2018 included a comment for the credit card account accruing credit limit overages, interest, and late fees. The District has closed the credit account and no payments for the credit card were noted during scanning.



Keith Faber
Auditor of State
Columbus, Ohio

May 26, 2022

OHIO AUDITOR OF STATE KEITH FABER



JACKSON COUNTY SOIL AND WATER CONSERVATION DISTRICT

JACKSON 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 6/16/2022

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This report is a matter of public record and is available online at
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