



**REED TOWNSHIP
SENECA COUNTY**

BASIC AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2022-2021

OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215
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Reed Township
Seneca County
14616 East Township Road 8
Attica, Ohio 44807

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of Reed Township, Seneca County, Ohio (the Township) for the years ended December 31, 2022 and 2021.

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 Township’s financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Township’s financial statements, transactions or balances for the years ended December 31, 2022 and 2021.

The Township’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 Township did not record several property tax and intergovernmental receipts to proper funds in accordance with **Ohio Rev. Code § 5705.10(C) and § 5705.10(D)**. The net effect of these errors was as follows:

<u>Fund Type / Fund</u>	<u>2022</u> <u>Posting</u> <u>Errors</u>	<u>2021</u> <u>Posting</u> <u>Errors</u>	<u>Total</u>
General Fund	\$ (27,984)	\$ (44,968)	\$ (72,952)
Special Revenue by Fund Type:			
Motor Vehicle License Tax Fund	2,194		2,194
Road and Bridge Fund	14,182	44,968	59,150
Gas Tax	11,608		11,608

Adjustments have been recorded in the accounting system correcting the misstatements. These errors were the result of inadequate policies and procedures in reviewing the financial statements. Posting receipts to improper funds could lead to monies being used for unallowable purposes. The Township should implement controls to help ensure all transactions are reviewed to ensure posting to proper funds.

2. We noted that the bank reconciliation from December 31, 2021 through December 31, 2022 included a reconciling item of \$3,975 due to a prior year adjustment being recorded twice in the accounting system. An adjustment has been recorded in the accounting system correcting the misstatement.

Additionally, we noted the book balance was higher than the bank balance by an additional amount of \$299 on the December 31, 2022 reconciliation. While the amount only represents 0.04% of ending balances at December 31, 2022, unresolved reconciling errors can cause funds to be lost, stolen or unaccounted for. All reconciling items should be investigated and corrected.

We also noted the book balance was higher than the bank balance by a net variance of \$8,613 on the Township's March 29, 2024 bank reconciliation. Failure to correct this variance could result in the loss of reduced audit services in the future. The Fiscal Officer and Trustees should investigate and correct this variance.

3. We noted none of the elected officials, or their appropriate designee, have attended three hours of public records training for each term of office as required by **Ohio Rev. Code §§ 109.43(B) and §149.43(E)(1)**. The training received must be certified by the Ohio Attorney General. Proof of completion of training may include documentation either from the Attorney General's Office or from another entity certified by the Attorney General to provide the training to the elected official or his/her appropriate designee. Attendees who successfully complete the training will receive a certificate to serve as proof of training.

Failure to attend these trainings could result in improper education of public offices regarding the offices' duties related to public records requests as well as improper withholding of information from stakeholders. The elected officials, or their appropriate designee(s), shall, during their term of office, attend public records training and maintain proof of completion of the training.



Keith Faber
Auditor of State
Columbus, Ohio

May 3, 2024

OHIO AUDITOR OF STATE KEITH FABER



REED TOWNSHIP

SENECA 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 5/16/2024

65 East State Street, Columbus, Ohio 43215
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This report is a matter of public record and is available online at
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