



OHIO AUDITOR OF STATE
KEITH FABER



OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

BASIC AUDIT REPORT

Van Wert County Park District
Van Wert County
1185 Professional Drive
Van Wert, Ohio 45891

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Van Wert County Park District, (the Park District) for the years ended December 31, 2023 and 2022.

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 Park District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Park District's financial statements, transactions or balances for the years ended December 31, 2023 and 2022.

The Park District'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 examined the bank reconciliation prepared as of December 31, 2023. It included a variance with the amount reported in the annual financial statements in the amount of \$1,218. We were able to determine this amount represented the sum of the change of value, interest, dividends, gain/loss and fees related to the funds held by the Van Wert County Foundation.

Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. Unidentified differences result in inaccurate fund cash balance information, and conceivably could cause deficit spending. The Treasurer should review transactions recorded since the last reconciliation and correct the error.

Also, the Park District's small size requires governing board involvement with critical accounting processes (such as bank reconciliation) to compensate for the inability to segregate these duties. The absence of these reviews may be a material weakness in internal accounting control, resulting in inaccurate cash balances, or even undetected theft.

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. The Park District has not properly established a public records policy. Failure to establish and maintain a public records policy may result in records of the Park District not being available for public inspection or request and could lead to noncompliance with the Ohio Revised Code. Our prior basic audit also reported this compliance issue.
3. The Park District failed to timely file the annual financial reports on the Hinkle System for 2022 as required per **Ohio Rev. Code § 117.38** and **Ohio Admin. Code § 117-2-03**. The filing deadline for the 2022 annual report was March 1, 2023 but the Park District did not file the report until March 16, 2023. Failure to file timely may result in being ineligible for reduced audit services and could result in the assessment of a late penalty. The Park District should ensure its annual financial statements are filed with the Auditor of State within sixty days after its December 31 fiscal year end date.
4. The Park District operates similar to a department within the County's budget system. Since the Park District is a legally separate entity established under **Ohio Rev Code 1545**, the Park District should comply with the applicable Ohio Revised Code sections pertaining to budgetary requirements as follows: **Ohio Rev. Code § 5705.36(A)** requires on or about the first day of each fiscal year, the fiscal officers of subdivisions and other taxing units are to certify to the county auditor the total amount from all sources available for expenditures from each fund in the tax budget along with any unencumbered balances existing at the end of the preceding year. The Park District did not complete this certification for 2022 or 2023. **Ohio Rev. Code § 5705.38(A)** requires that on or about the first day of each fiscal year, an appropriation measure is to be passed. If the taxing authority wants to postpone the passage of the annual appropriation measure until an amended certificate is received from the county budget commission based upon the actual year end balances, it may pass a temporary appropriation measure for meeting the ordinary expenses until no later than April 1. Appropriations were not approved for 2022 or 2023 by the Park Board. The failure to adopt annual appropriations results in disbursements exceeding appropriations which violates **Ohio Rev. Code § 5705.41(B)**. The failure to file the required budgetary documents with the county auditor prevents the Park District from knowing if planned spending is within available resources (beginning unencumbered fund balance plus estimated receipts) which may result in deficit spending. The Park District should review the Ohio Compliance Supplement and then develop a checklist of the required budgetary documents and filing dates. The approved estimated receipts and appropriations should be integrated into the accounting system to allow for the monitoring of estimated versus actual receipts and disbursements.

Current Status of Matters Reported in our Prior Engagement

5. The prior matter is repeated in 2 above.



Keith Faber
Auditor of State
Columbus, Ohio

July 1, 2024

OHIO AUDITOR OF STATE KEITH FABER



VAN WERT COUNTY PARK DISTRICT

VAN WERT 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 7/16/2024

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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