



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Ohio Township  
Monroe County  
P.O. Box 65  
Hannibal, Ohio 43931

We have performed the procedures enumerated below on the Ohio Township, Monroe County (the Township), receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2024 and 2023 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Township. The Township is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2024 and 2023 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Township.

The Board of Trustees and the management of the Township have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Township's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2024 and 2023, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

### Cash

1. We recalculated the December 31, 2024 and December 31, 2023 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2023 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2022 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2024 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2023 balances in the Fund Ledger Report. We found no exceptions.
3. We agreed the 2024 and 2023 Bank Reconciliation adjusted UAN Balances and Adjusted Bank Balances as of December 31, 2024 and 2023 to the total fund cash balances reported in the Fund Status Report and the financial statements filed by the Township in the Hinkle System. The amounts agreed.

### **Cash (Continued)**

4. We confirmed the December 31, 2024 bank account balances with the Township's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2024 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the December 31, 2024 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. We found one check written on December 26, 2023, was still outstanding on January 31, 2025.
  - b. We traced the amounts and dates to the check register, and determined the debits were dated prior to December 31. We found no exceptions.

### **Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a total of 5 receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Lists (DTL), and the County DITA GL Reports for 2024 and a total of 5 from 2023:
  - a. We compared the amount from the above-named reports to the amount recorded in the Receipt Register Report. The amounts agreed.
  - a. We inspected the Receipt Register Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code §§ 5705.05 and 5705.10. We found 2 receipts for a total of \$3,295 for homestead and rollback recorded in the Road and Bridge Fund that should have been recorded in the General Fund (\$2,372), Road and Bridge Fund (\$741) and Fire Levy Fund (\$182). We brought this to management's attention. They corrected the General, Road and Bridge and Fire Levy funds' fund balances for these items. However, because we did not inspect all receipts, our report provides no assurance regarding whether or not other similar errors occurred.
  - b. We inspected the Receipt Register Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Receipt Register Report to determine whether it included 2 real estate tax receipts for 2024 and 2023. The Receipt Register Report included the proper number of tax receipts for each year. We found no exceptions.

### **Other Receipts**

We selected 10 other receipts from the year ended December 31, 2024 and 10 other receipts from the year ended 2023 and:

- b. Agreed the receipt amount recorded in the Receipt Register Report to supporting documentation. The amounts agreed.
- c. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- d. Inspected the Receipt Register Report to determine the receipt was posted to the proper funds and was recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2022.
2. We inquired of management and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2024 or 2023 or debt payment activity during 2024 or 2023. There were no new debt issuances, nor any debt payment activity during 2024 or 2023.

## Payroll Cash Disbursements

1. We selected 1 payroll check for 5 employees from 2024 and 1 payroll check for all employees from 2023 from the Wage Withholdings Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively or approved rate or salary). We found 2 instances where two employees were paid at a rate of \$18 per hour instead of \$17 per hour as approved by the Board of Trustees. This caused an overpayment of \$57 and \$95 to the employees. We brought this to management's attention. Because we did not compare all payrolls, our report provides no assurance whether or not other similar errors occurred.
  - b. We inspected the fund and account codes to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the minute record. We found no exceptions.
  - c. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We selected 3 new employees from 2024 and the one new employee from 2023 and:
  - a. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
  - b. We agreed the items in a above to the Employee General Information Report.

We found one employee did not have the Retirement system and Federal and State income tax withholding authorizations on file.

3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2024 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2024. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	01/01/2025	12/26/2024	\$1,316	\$1,316
State income taxes	01/25/2025	12/26/2024	\$247	\$247
OPERS retirement	01/30/2025	12/26/2024	\$3,056	\$3,056

We found no exceptions.

4. For the pay periods ended October 31, 2024 and March 31, 2023, we
  - a. Recomputed the allocation of the Board of Trustees' salary and employer share withholding to the General, Gasoline Tax and Road Funds per the Wage Detail Report.
  - b. Traced the Board of Trustees' pay for time or services performed to supporting certifications the Revised Code requires.

We found no exceptions.

### **Payroll Cash Disbursements (Continued)**

5. We compared total gross pay for the fiscal officer and each board of trustees for 2024 and 2023 to the compensation permitted by Ohio Rev. Code §§ 507.09 and 505.24, respectively.
  - a. We found the Fiscal Officer was under compensated by \$3,463, Trustees Pyles and Nething were under compensated by \$580 each and Trustee Dennis was under compensated by \$1,260.

Ohio Rev. Code § 505.24(A)(4) indicates in calendar year 2018, each township trustee is entitled to compensation in an amount for each day of service in the business of the township, to be paid from the township treasury as follows: In townships having a budget of more than seven hundred fifty thousand but not more than one million five hundred thousand dollars, fifty-six dollars and seventy-one cents per day for not more than two hundred days. Ohio Rev. Code § 505.24(B) states in calendar year 2019 and in each calendar year thereafter through calendar year 2025, the amounts paid as specified in division (A) of this section shall be increased by one and three-quarters per cent.

Ohio Const. Art. II, Section 20 states that the general assembly, in cases not provided for in the constitution, shall fix the term of office and the compensation of all officers; but no change therein shall affect the salary of any officer during his existing term, unless the office be abolished.

Ohio Rev. Code § 117.24 requires the Auditor of State to determine whether "public money has been illegally expended, any public money collected has not been accounted for, any public money due has not been collected, or any public property has been converted or misappropriated. . . ." Those determinations in an audit report constitute "findings for recovery." Ohio Rev. Code § 9.24(H)(3).

Ohio Rev. Code § 507.14 makes a township fiscal officer liable for a loss of public funds when a loss of public funds results from the township fiscal officer's negligence or other wrongful act.

We found former Township Trustee Eggleston was overpaid during 2023 based on incorrect rates from his statutorily set salary. During 2023, the Township had a budget of \$1,272,988. As such, according to Ohio Rev. Code § 505.24(A)(4) the former Township Trustee should have been paid \$12,370; however, the former Township Trustee was paid \$13,050. This resulted in an overpayment of \$680 in 2023.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public money illegally expended is hereby issued against former Township Trustee Joseph Eggleston, Fiscal Officer JoAnn Taylor and her bonding company, Ohio Township Association Risk Management Authority, jointly and severally, in the amount of \$680 and in favor of the Township's General Fund in the amount of \$34, Gasoline Tax Fund in the amount of \$320, and Road and Bridge Fund in the amount of \$326.

Mr. Eggleston repaid the \$680 finding referenced above on August 4, 2025, check number 2391. This was repaid to the Township's General Fund in the amount of \$34, the Gasoline Tax Fund in the amount of \$320 and the Road and Bridge Fund in the amount of \$326, on August 6, 2025, receipt number 37-2025.

### Non-Payroll Cash Disbursements

We selected 10 disbursements from the Payment Register Detail Report for the year ended December 31, 2024 and 10 from the year ended 2023 and determined whether:

- a. The disbursements were for a proper public purpose. We found no exceptions.
- b. The check number, date, payee name and amount recorded on the returned, canceled check (or other evidence if EFT/ACH) agreed to the check number, date, payee name and amount recorded in the Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
- d. The Fiscal Officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code § 5705.41(D). We found 1 instance where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code § 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not inspect all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

### Compliance – Budgetary

1. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus contract commitments including outstanding encumbrances) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2024 and 2023 for the General, Cemetery and Fire Levy funds as recorded in the Appropriation Status Report. Expenditures did not exceed appropriations.
2. We inspected the Cash Summary by Fund Report for the years ended December 31, 2024 and 2023 for negative cash fund balances. Ohio Rev. Code § 5705.10(I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. No funds had a negative cash fund balances.

### Sunshine Law Compliance

1. We obtained and inspected the Township's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We selected the only public records request from the engagement period and inspected the request to determine the following:
  - a. The Township was compliant and responded to the request in accordance with their adopted policy as required by Ohio Rev. Code § 149.43(B)(1). We found no exceptions.
  - b. The Township did not have any denied public records requests during the engagement period.
  - c. The Township did not have any public records requests with redactions during the engagement period.

### **Sunshine Law Compliance (Continued)**

3. We inquired whether the Township had a records retention schedule and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found the records retention schedule has not been sent to the Ohio History Connection for approval.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inspected the Township's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We observed that the Township's poster describing their Public Records Policy was displayed conspicuously in all branches of the Township as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with Township management and determined that the Township did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We determined one Trustee did not attend a certified three-hour Public Records Training in accordance with Ohio Rev. Code § 149.43(E)(1) for his term ended December 31, 2023, as required by Ohio Rev. Code § 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the Township notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
  - a. Prepared – a file is created following the date of the meeting
  - b. Filed – placed with similar documents in an organized manner
  - c. Maintained - retained, at a minimum, for the engagement period
  - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
  - a. Executive sessions were only held at regular or special meetings.
  - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
  - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

### **Contract Compliance**

1. We inspected the Minutes and Appropriation Ledger and identified the Township had expenditures subject to competitive bidding. We found no exceptions.



### Contract Compliance (Continued)

2. We selected 1 contract subject to competitive bidding requirements for 2024 and
    - a. We inspected the contract and other bids for the contracted expenditure and determined:
      - i. The Township accepted the lowest bid and met the requirements of Ohio Rev. Code §§ 9.17 and 5549.21.
      - ii. No bid splitting occurred
      - iii. No deliberate attempts to evade bid limitations occurred, such as successive contracts just under the bid amount, occurred.
      - iv. No apparent interest in the contract by a public official occurred.
- We found no exceptions.

### Other Compliance

1. Ohio Rev. Code § 117.38 requires townships to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Township filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy, within the allotted timeframe for the years ended December 31, 2024 and 2023 in the Hinkle system. We found no exceptions.
2. We inquired of the fiscal officer and inspected the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html>) to determine whether the fiscal officer obtained the training required by Ohio Rev. Code §§ 507.12 and 733.81. The Fiscal Officer obtained the required training.

### Related Party Transactions

1. We inquired with management in order to identify any related party transactions and confirm if the required elected officials abstained from voting. We identified the following:
  - a. Trustee Pyles is the owner of Duffy Automotive, which the Township paid \$3,494 in December 2023. The Township had not done business with Duffy Automotive prior to Mr. Pyles becoming Trustee in January 2022. We noted Trustee Pyles did not sign the checks to Duffy Automotive, but we did find he voted to approve payment of the bills to Duffy Automotive.

Ohio Revised Code § 2921.42(A)(1) provides that no public official shall knowingly "authorize or employ the authority or influence of" the official's office to secure authorization of the employment of a family member. Ohio Revised Code § 2921.42(A)(4) provides that no public official shall "have an interest in the profits or benefits of a public contract entered into by or for the use of the political subdivision or governmental agency or instrumentality with which the public official is connected." Ohio Revised Code § 102.03(D) prohibits a public official or employee from using or authorizing the "authority or influence of office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties".

Ohio Rev. Code Section 2921.42(C)(4) provides that this section does not apply to a public contract in which a public official, member of a public official's family, or one of a public official's business associates has an interest, when all of the following apply:

1. The subject of the public contract is necessary supplies or services for the political subdivision or governmental agency or instrumentality involved;

### Related Party Transactions (Continued)

2. The supplies or services are unobtainable elsewhere for the same or lower cost, or are being furnished to the political subdivision or governmental agency or instrumentality as part of a continuing course of dealing established prior to the public official's becoming associated with the political subdivision or governmental agency or instrumentality involved;
3. The treatment accorded the political subdivision or governmental agency or instrumentality is either preferential to or the same as that accorded other customers or clients in similar transactions;
4. The entire transaction is conducted at arm's length, with full knowledge by the political subdivision or governmental agency or instrumentality involved, of the interest of the public official, member of the public official's family, or business associate, and the public official takes no part in the deliberations or decision of the political subdivision or governmental agency or instrumentality with respect to the public contract.

The potential ethics violations will be referred to the Ethics Commission.

We were engaged by the Township to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Township's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Township and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

KEITH FABER  
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM  
Chief Deputy Auditor

August 25, 2025

# OHIO AUDITOR OF STATE KEITH FABER



**OHIO TOWNSHIP**

**MONROE 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 9/16/2025**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)