



**CASS TOWNSHIP
MUSKINGUM COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CASS TOWNSHIP
MUSKINGUM COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Cass Township
Muskingum County
P.O. Box 326
Trinway, Ohio 43842

To the Board of Trustees:

We have audited the accompanying financial statements of Cass Township, Muskingum County, Ohio (the Township), as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Cass Township, Muskingum County, as of December 31, 2000 and 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2001 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

September 17, 2001

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**CASS TOWNSHIP
MUSKINGUM COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Cash Receipts:					
Local Taxes	\$70,079	\$70,022	\$17,203	\$	\$157,304
Intergovernmental	34,039	64,533			98,572
Earnings on Investments	5,857	3,144			9,001
Other Revenue		56			56
Total Cash Receipts	<u>109,975</u>	<u>137,755</u>	<u>17,203</u>	<u>0</u>	<u>264,933</u>
Cash Disbursements:					
Current:					
General Government	45,747				45,747
Public Safety		14,604			14,604
Public Works	36,354	75,711			112,065
Health	1,470				1,470
Debt Service:					
Redemption of Principal			13,642		13,642
Interest and Fiscal Charges			3,215		3,215
Capital Outlay	5,699				5,699
Total Cash Disbursements	<u>89,270</u>	<u>90,315</u>	<u>16,857</u>	<u>0</u>	<u>196,442</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>20,705</u>	<u>47,440</u>	<u>346</u>	<u>0</u>	<u>68,491</u>
Fund Cash Balances, January 1	<u>58,886</u>	<u>143,533</u>		<u>15,395</u>	<u>217,814</u>
Fund Cash Balances, December 31	<u>\$79,591</u>	<u>\$190,973</u>	<u>\$346</u>	<u>\$15,395</u>	<u>\$286,305</u>

The notes to the financial statements are an integral part of this statement.

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Cash Receipts:					
Local Taxes	\$62,358	\$67,909	\$9,502	\$0	\$139,769
Intergovernmental	31,547	82,508			114,055
Earnings on Investments	4,927	2,084			7,011
Other Revenue	17				17
Total Cash Receipts	<u>98,849</u>	<u>152,501</u>	<u>9,502</u>	<u>0</u>	<u>260,852</u>
Cash Disbursements:					
Current:					
General Government	41,445				41,445
Public Safety		16,033			16,033
Public Works	36,536	89,441			125,977
Health	3,465				3,465
Debt Service:					
Redemption of Principal			7,000		7,000
Interest and Fiscal Charges			2,520		2,520
Capital Outlay	38,496				38,496
Total Cash Disbursements	<u>119,942</u>	<u>105,474</u>	<u>9,520</u>	<u>0</u>	<u>234,936</u>
Total Cash Receipts Over/(Under) Cash Disbursements	(21,093)	47,027	(18)	0	25,916
Other Financing Receipts/(Disbursements):					
Proceeds from Sale of Public Debt:					
Sale of Notes	21,000				21,000
Total Other Financing Receipts/(Disbursements)	<u>21,000</u>				<u>21,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(93)	47,027	(18)	0	46,916
Fund Cash Balances, January 1	58,979	96,506	18	15,395	170,898
Fund Cash Balances, December 31	<u>\$58,886</u>	<u>\$143,533</u>	<u>\$0</u>	<u>\$15,395</u>	<u>\$217,814</u>

The notes to the financial statements are an integral part of this statement.

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Cass Township, Muskingum County (the Township), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides general governmental services, including road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Village of Dresden to provide fire and emergency medical services.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining and repairing Township roads and bridges.

Gasoline Tax Fund - This fund receives gasoline tax money for constructing, maintaining and repairing Township roads.

Motor Vehicle License Tax Fund - This fund receives motor vehicle money for maintaining and repairing Township roads

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued)

3. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Fund:

Federal Emergency Management Agency (FEMA) Fund - This fund receives money from the federal and state government to pay for the repairs needed as the result of a natural disaster.

4. Debt Service Fund

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. The Township had the following significant Debt Service Fund:

Note Retirement Fund - This fund is used to accumulate resources for the payment of debt related to the purchase of road equipment.

D. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must actually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

F. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Township.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	<u>\$286,305</u>	<u>\$217,814</u>

Deposits: Deposits are either (1) insured by the Federal Deposit Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

3. PRIOR PERIOD RESTATEMENT

For the year ended December 31, 1998, the following restatements were necessary to properly classify the FEMA Grant Fund balance:

Fund Type	Ending Balance at December 31, 1998	Restatement	Restated Balance January 1, 1999
Special Revenue Fund	\$111,901	\$(15,395)	\$96,506
Capital Projects Fund	\$0	\$15,395	\$15,395
Total	\$111,901	\$0	\$111,901

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

4. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$88,901	\$109,975	\$21,074
Special Revenue	94,944	137,755	42,811
Debt Service	17,203	17,203	0
Total	\$201,048	\$264,933	\$63,885

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$142,788	\$89,270	\$53,518
Special Revenue	253,872	90,315	163,557
Debt Service	17,203	16,857	346
Total	\$413,863	\$196,442	\$217,421

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$108,030	\$119,849	\$11,819
Special Revenue	116,871	152,501	35,630
Debt Service	9,502	9,502	0
Total	\$234,403	\$281,852	\$47,449

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$167,010	\$119,942	\$47,068
Special Revenue	228,772	105,474	123,298
Debt Service	9,520	9,520	0
Total	\$405,302	\$234,936	\$170,366

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

5. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

6. DEBT

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
1995 General Obligation Notes	\$28,000	6%
1999 General Obligation Notes	14,358	5.25%
Total	\$42,358	

The 1995 general obligation notes were issued to finance the purchase of a new grader to be used for Township road maintenance. The notes are collateralized solely by the Township's taxing authority. The notes are being paid in annual installments of \$7,000 plus interest.

The 1999 general obligation notes were issued to finance the purchase of a new dump truck to be used for Township road maintenance. The notes are collateralized solely by the Township's taxing authority. The notes were intended to be paid in annual installments of \$7,000 plus interest according to Township records. However, the financial institution had issued this obligation as a fixed payment loan in the amount of \$7,748, including interest.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	General Obligation Notes
2001	16,415
2002	15,628
2003	7,840
2004	7,420
Total	\$47,303

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

7. RETIREMENT SYSTEMS

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 10.84% and 13.55% for 2000 and 1999, respectively, of participants' gross salaries. The Township has paid all contributions required through December 31, 2000.

8. RISK MANAGEMENT

The Township belongs to the Ohio Government Risk Management Plan (the Plan), an unincorporated non-profit association with over 600 governmental entity members providing a formalized, jointly administered self-insurance risk management program and other administrative services.

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible.

The Plan uses conventional insurance coverages and reinsures these coverages 100%, rather than using a risk pool of member funds to pay individual and collective losses. Therefore, the individual members are only responsible for their self-retention (deductible) amounts which vary from member to member.

The following risks are covered by the Plan:

- Comprehensive property and general liability
- Wrongful acts
- Automobile
- Bond
- Inland Marine
- Electronic Data Processing

The Township also provides health insurance coverage to its full-time employee through a private carrier.



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REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Cass Township
Muskingum County
P.O. Box 326
Trinway, Ohio 43842

To the Board of Trustees:

We have audited the accompanying financial statements of Cass Township, Muskingum County, Ohio (the Township), as of and for the years ended December 31 2000 and 1999, and have issued our report thereon dated September 17, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as items 2000-41060-001 through 2000-41060-004. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated September 17, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying Schedule of Findings as item 2000-41060-005.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe the reportable condition described above is a material weakness. We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated September 17, 2001.

Cass Township
Muskingum County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

September 17, 2001

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2000 AND 1999**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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Finding Number	2000-41060-001
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Finding For Recovery

The Cass Township Board of Township Trustees minutes for the January 4, 1996 meeting authorized all full time employees to be allowed certain vacation benefits. On March 9, 2000, the Board of Trustees amended the vacation benefits for full time employees, retroactive to January 1, 2000.

Based on the abovementioned policies, Randall L. Stotts was entitled to be paid for 73.32 hours of accumulated vacation upon his resignation. According to Township records, Mr. Stotts was compensated for 144 hours of accumulated vacation. As a result, Mr. Stotts was overcompensated for 70.68 hours of vacation pay at \$10.50 per hour, or \$742.14.

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 Randall L. Stotts, former Cass Township Road Foreman, and Donald A. Rohrer, former Cass Township Clerk, and their surety, the Ohio Government Risk Management Plan, jointly and severally, in the amount of \$742.14, in favor of Cass Township.

On September 14, 2001, the Board of Trustees adopted a retroactive resolution authorizing the amounts paid to Randall L. Stotts upon his resignation.

Finding Number	2000-41060-002
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Finding for Adjustment

Ohio Rev. Code Section 5705.10 requires all revenue derived from a specific source to be credited to a special fund for the purpose for which the monies were received. The 2000 first half manufactured homes property tax receipts were posted entirely to the Township's General Fund instead of being properly divided between the General Fund and Road and Bridge Fund. In accordance with the foregoing facts, a finding for adjustment in the amount of \$497 is hereby issued against the General Fund, in favor of the Road and Bridge Fund.

As of the date of this report, the Clerk was in agreement with the aforementioned adjustment and this adjustment was posted to the Township's records and is reflected in the accompanying financial statements.

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2000 AND 1999
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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Finding Number	2000-41060-003
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Finding for Adjustment

Ohio Rev. Code Section 135.21 requires that all interest earned must be credited to the general fund of the subdivision with a few exceptions. Interest earned on money derived from a motor vehicle license or fuel tax must follow the principal, interest earned on money received from the federal government may be due to the fund to which the principal belongs, and interest earned on principal of a non-expendable trust fund that has been established for the purpose of receiving donations or contributions that the donor or contributor requires to be maintained intact must be credited to the non-expendable trust fund to which the principal belongs.

During 2000, the Township credited \$702 in interest earnings to the FEMA Fund. However, because this grant was received on a reimbursement basis and the Township had already incurred the related expenses, all interest should have been credited to the General Fund, Gasoline Tax Fund, Permissive Motor Vehicle License Fund, and Motor Vehicle License Fund. In accordance with the foregoing facts, and pursuant to Section 117.28, Revised Code, a finding for adjustment is hereby issued against the FEMA Fund in the amount of \$702, in favor of the following funds, in the following amounts:

<u>Fund</u>	<u>In Favor Of</u>
General	\$ 464
Gasoline Tax	126
Permissive Motor Vehicle License	63
Motor Vehicle License	49

As of the date of this report, the Clerk was in agreement with the aforementioned adjustment and this adjustment was posted to the Township's records and is reflected in the accompanying financial statements.

Finding Number	2000-41060-004
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Finding for Adjustment

Ohio Rev. Code Section 5705.10 requires all revenue derived from a specific source to be credited to a special fund for the purpose for which the monies were received. In 2000, the Township received insurance payments related to theft and damage losses totaling \$1,064. The Township had paid for the replacement of the tools that were stolen and the repair of the broken backhoe window out of the Motor Vehicle License Fund. The insurance check was credited to the General Fund. The reimbursement from the insurance company should have been posted as a reduction of expenditures in the same fund which incurred the expenses.

In accordance with the foregoing facts, a finding for adjustment in the amount of \$1,064 is hereby issued against the General Fund, in favor of the Motor Vehicle License Fund.

As of the date of this report, the Clerk was in agreement with the aforementioned adjustment and this adjustment was posted to the Township's records and is reflected in the accompanying financial statements.

**CASS TOWNSHIP
MUSKINGUM COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2000 AND 1999
(Continued)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

Finding Number	2000-41060-005
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Reportable Condition - Accounting for Accrual and Usage of Leave Balances

The Township Clerk did not consistently record in the UAN payroll system the leave taken as reflected on the employee's time sheets. In addition, the leave earned by the employee, as authorized by Township policies, was not consistently recorded in the UAN payroll system. As a result, at the end of any given pay period, the amount of leave accumulated and used as reflected in the UAN payroll system was not accurate for this employee. Although the Clerk attempted to adjust amounts earned and used as recorded in the UAN payroll system before year end, the inconsistent procedures followed allowed the employee to be paid for leave upon his resignation which was in excess of that authorized by Township leave policies. This resulted in a finding for recovery as reflected in finding 2000-41060-001.

We recommend the Township Clerk record the leave accruals in accordance with Township policies and on a pay-by-pay basis. Leave usage should be recorded as reflected on the employee time sheets. This would enable the employee and Township management to monitor leave activity and balances. If questions arise as to the interpretation of existing Township leave policies, then the Board of Trustees should amend the policies to provide clarification.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CASS TOWNSHIP
MUSKINGUM COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 4, 2001**