



**Auditor of State  
Betty Montgomery**



WASHINGTON TOWNSHIP  
STARK COUNTY

TABLE OF CONTENTS

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types For the Year Ended December 31, 2002.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types For the Year Ended December 31, 2001.....	4
Notes to the Financial Statements.....	5
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	11
Schedule of Findings.....	13
Schedule of Prior Audit Findings.....	16

**This page intentionally left blank.**



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Washington Township  
Stark County  
5843 Beechwood Avenue, NE  
Alliance, Ohio 44601

To the Board of Trustees:

We have audited the accompanying financial statements of Washington Township, Stark County, Ohio, (the Township) as of and for the years ended December 31, 2002 and 2001. 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 audits 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 and reserves for encumbrances of the Township as of December 31, 2002 and 2001, 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 11, 2003 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.

Washington Township  
Stark County  
Independent Accountants' Report  
Page 2

This report is intended solely for the information and use of the audit committee, 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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

September 11, 2003

**WASHINGTON TOWNSHIP  
STARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$20,460	\$303,290	\$0	\$323,750
Intergovernmental	127,103	102,950	0	230,053
Licenses, Permits, and Fees	6,443	0	0	6,443
Earnings on Investments	3,040	593	0	3,633
Other	1,096	31	0	1,127
<b>Total Cash Receipts</b>	<u>158,142</u>	<u>406,864</u>	<u>0</u>	<u>565,006</u>
<b>Cash Disbursements:</b>				
Current:				
General Government	167,123	113,441	0	280,564
Public Safety	10,285	0	0	10,285
Public Works	47,515	140,643	0	188,158
Conservation - Recreation	8,882	0	0	8,882
Capital Outlay	84,146	2,420	0	86,566
<b>Total Cash Disbursements</b>	<u>317,951</u>	<u>256,504</u>	<u>0</u>	<u>574,455</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(159,809)</u>	<u>150,360</u>	<u>0</u>	<u>(9,449)</u>
Fund Cash Balances, January 1	<u>319,021</u>	<u>272,501</u>	<u>11,016</u>	<u>602,538</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$159,212</b></u>	<u><b>\$422,861</b></u>	<u><b>\$11,016</b></u>	<u><b>\$593,089</b></u>
Reserves for Encumbrances, December 31	<u>\$892</u>	<u>\$684</u>	<u>\$0</u>	<u>\$1,576</u>

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

**WASHINGTON TOWNSHIP  
STARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>			<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$25,213	\$301,456	\$0	\$326,669
Intergovernmental	156,828	87,910	5,726	250,464
Licenses, Permits, and Fees	7,802	0	0	7,802
Earnings on Investments	15,232	3,424	0	18,656
Other	2,413	0	0	2,413
	<u>207,488</u>	<u>392,790</u>	<u>5,726</u>	<u>606,004</u>
Total Cash Receipts				
<b>Cash Disbursements:</b>				
Current:				
General Government	158,031	209,792	0	367,823
Public Safety	2,622	0	0	2,622
Public Works	14,337	186,577	0	200,914
Conservation - Recreation	14,019	0	0	14,019
Capital Outlay	0	20,967	0	20,967
	<u>189,009</u>	<u>417,336</u>	<u>0</u>	<u>606,345</u>
Total Cash Disbursements				
Total Cash Receipts Over/(Under) Cash Disbursements	<u>18,479</u>	<u>(24,546)</u>	<u>5,726</u>	<u>(341)</u>
Fund Cash Balances, January 1	<u>300,542</u>	<u>297,047</u>	<u>5,290</u>	<u>602,879</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$319,021</u></b>	<b><u>\$272,501</u></b>	<b><u>\$11,016</u></b>	<b><u>\$602,538</u></b>
Reserves for Encumbrances, December 31	<u>\$512</u>	<u>\$46</u>	<u>\$0</u>	<u>\$558</u>

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



**WASHINGTON TOWNSHIP  
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Washington Township, Stark 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, and fire protection. The Township contracts with Rural Metro Ambulance Services to provide ambulance 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. Cash and Investments**

Investments are included in the fund cash balances. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost.

**D. 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 has 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.

WASHINGTON TOWNSHIP  
STARK COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

*Special Levy Road Fund* - This fund receives levy money to pay for constructing, maintaining and repairing Township roads.

3. Capital Projects Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects. The Township has the following significant capital projects funds:

*Fire Equipment Fund* – This fund is used to account for the purchase of equipment used by the Township to provide fire protection.

*Road Equipment Fund* – This fund is used to account for the purchase of equipment used for the purpose of constructing, maintaining and repairing Township roads.

E. 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 level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve the appropriation measure and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered 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 carried over, and need not be reappropriated. The Township did not encumber all commitments required by Ohio law.

A summary of 2002 and 2001 budgetary activity appears in Note 3.

**WASHINGTON TOWNSHIP  
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Property, Plant and Equipment**

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

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's basis of accounting.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Township maintains a cash and investment 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:

	2002	2001
Demand deposits	\$12,000	\$12,070
Certificates of deposit	20,000	20,000
Total deposits	32,000	32,070
Repurchase agreement	561,089	570,468
Total deposits and investments	\$593,089	\$602,538

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$110,828	\$158,142	\$47,314
Special Revenue	402,136	406,864	4,728
Capital Projects	0	0	0
Total	\$512,964	\$565,006	\$52,042

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$431,680	\$318,843	\$112,837
Special Revenue	669,154	257,188	411,966
Capital Projects	11,016	0	11,016
Total	\$1,111,850	\$576,031	\$535,819

**WASHINGTON TOWNSHIP  
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$100,715	\$207,488	\$106,773
Special Revenue	422,666	392,790	(29,876)
Capital Projects	19,000	5,726	(13,274)
Total	\$542,381	\$606,004	\$63,623

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$356,996	\$189,521	\$167,475
Special Revenue	745,814	417,382	328,432
Capital Projects	42,147	0	42,147
Total	\$1,144,957	\$606,903	\$538,054

**4. NONCOMPLIANCE**

Contrary to Ohio Rev. Code Section 5705.41(D), certain 2002 and 2001 expenditures were not certified prior to incurring the commitment.

**5. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the 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 payments, the first half is due December 31. The second half payment is due the following June 20.

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. RETIREMENT SYSTEM**

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

**WASHINGTON TOWNSHIP  
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**6. RETIREMENT SYSTEM (Continued)**

Contribution rates are also prescribed by the Ohio Revised Code. For 2002 and 2001, members of OPERS contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for 2002 and 2001. The Township has paid all contributions required through December 31, 2002.

**7. RISK MANAGEMENT**

**Risk Pool Membership**

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

OTARMA retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. Claims exceeding \$250,000 are reinsured with APEEP up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000, from the General Reinsurance Corporation.

If losses exhaust OTARMA's retained earnings, APEEP covers OTARMA losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Coverage

OTARMA retains property risks, including automobile physical damage, up to \$10,000 on any specific loss with an annual aggregate of \$700,000 for 2001 and \$1,250,000 for 2002. The Travelers Indemnity Company reinsures losses exceeding \$10,000 if the annual aggregate is reached and all specific losses exceeding \$100,000. APEEP's Operating Fund and Guarantee Fund pay for losses and loss adjustment expenses should they exceed operating contributions.

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

<u>Casualty Coverage</u>	<u>2002</u>	<u>2001</u>
Assets	\$23,757,036	\$23,703,776
Liabilities	<u>(9,197,512)</u>	<u>(9,379,003)</u>
Retained earnings	<u>\$14,559,524</u>	<u>\$14,324,773</u>

WASHINGTON TOWNSHIP  
STARK COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)

7. RISK MANAGEMENT (Continued)

Risk Pool Membership (Continued)

<u>Property Coverage</u>	2002	<u>2001</u>
Assets	\$6,596,996	\$5,011,131
Liabilities	(1,204,326)	(647,667)
Retained earnings	<u>\$5,392,670</u>	<u>\$4,363,464</u>



## **Auditor of State Betty Montgomery**

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

Washington Township  
Stark County  
5843 Beechwood Avenue, NE  
Alliance, Ohio 44601

To the Board of Trustees:

We have audited the accompanying financial statements of Washington Township, Stark County, Ohio, (the Township) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated September 11, 2003. 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2002-001.

We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated September 11, 2003.

#### **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 certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. 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. Reportable conditions are described in the accompanying Schedule of Findings as items 2002-002 and 2002-003.

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, none of the reportable conditions described above are considered to be material weaknesses.

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 11, 2003.

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

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

September 11, 2003



**WASHINGTON TOWNSHIP  
STARK COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2002 AND 2001**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2002-001**

**Noncompliance Citation**

**Ohio Rev. Code Section 5705.41(D)** requires that no subdivision or taxing unit make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon.

This section provides for two "exceptions" to the above requirements:

- Then and Now Certificates - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate appropriated and free of any previous encumbrances, the Board of Trustees may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
- If the amount involved is less than \$1,000 (which was increased to \$3,000 on April 7, 2003), the Township Clerk may authorize payments through a Then and Now Certificate without affirmation of the Board of Trustees, provided that the expenditures is otherwise lawful.

During 2002 and 2001, 41% of expenditures tested were not certified by the Township Clerk prior to incurring the commitment. It was found that neither of the two exceptions above were utilized for the items found to be in non-compliance. The Township should implement the use of so-called Then and Now Certificates and Blanket Certificates as further permitted by Ohio Rev. Code Section 5705.41.

**FINDING NUMBER 2002-002**

**Reportable Condition - Bank Reconciliations**

The following weaknesses were noted during testing of cash:

- A monthly reconciliation was not performed for November 2002.
- Throughout 2002 and 2001, significant reconciling items existed on each monthly bank reconciliation ranging from \$261 to \$197,815 which initially lacked supporting documentation.
- Certain deposits were not recorded on the Township's books in a timely manner. For example, monies which were deposited in the Township's bank account on June 29, 2001 were not posted to the Township's computerized accounting system until September 29, 2001. In addition, evidence did not exist to support that three deposits totaling \$3,848 (October 24, October 31 and December 27, 2001 for \$2,348, \$776 and \$724, respectively), were posted to the Township's computer system.
- The Township Clerk does not provide the Board of Trustees monthly bank reconciliations for review and subsequent approval.

**FINDING NUMBER 2002-002  
(Continued)**

As a result, there is an increased risk for incomplete or inaccurate bank reconciliations. In addition, errors or irregularities may not be detected in a timely manner.

We recommend the following:

- The Township Clerk should prepare a timely bank to book reconciliation for each month. The monthly reconciliations should document all unreconciled differences between the ending bank balance and the fund balances on the Township's computerized accounting system.
- The Township Clerk should attach documentation to each monthly bank reconciliation to support all reconciling items.
- The Township Clerk should review each receipt and the assigned receipt code for accuracy prior to posting the receipt to the computerized accounting system. Additionally, the Township Clerk should ensure all deposits are posted to the computerized accounting system to help reduce the number of unreconciled differences on each monthly bank reconciliation.
- The Township Clerk should submit monthly bank reconciliations to the Board of Trustees for review and approval as evidenced within the minute records.

This will help reduce the risk of incomplete or inaccurate bank reconciliations and help ensure that errors and irregularities are detected in a timely manner.

**FINDING NUMBER 2002-003**

**Reportable Condition - Classification of Receipts and Expenditures**

During 2002 and 2001, the Township Clerk misclassified receipts and expenditures, as follows:

- Certain distributions from the County Auditor were classified as Transfers-In and Miscellaneous rather than as Intergovernmental receipts.
- Certain zoning fees and various permit receipts were classified as Miscellaneous and Taxes rather than as Licenses, Permits and Fees receipts.
- Personal property tax exemption receipts were classified as Taxes rather than as Intergovernmental receipts.
- Refunds received from the Bureau of Workers Compensation were classified as Taxes rather than as Miscellaneous receipts.
- Real estate and personal property tax settlements from the County Auditor were not always posted at the gross amounts, with the respective expenditures posted to the county auditor fees account.

**FINDING NUMBER 2002-003 (Continued)**

**Reportable Condition - Classification of Receipts and Expenditures (Continued)**

As a result, the above receipt and expenditure line items were initially over/understated.

The Township Clerk and the Board of Trustees should periodically monitor the classification of all receipts and expenditures to help ensure Township receipts and disbursements are accurately recorded. This will help ensure receipts and expenditures are not over/understated.

WASHINGTON TOWNSHIP  
STARK COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2002 AND 2001

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain:</b>
2000-41276-001	Bank Reconciliations – At December 31, 2000 and 1999, there were unreconciled differences of \$9,056 and \$18,366, respectively.	No	Refer to Finding 2002-002.



**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**WASHINGTON TOWNSHIP**

**STARK 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 14, 2003**