



Mary Taylor, CPA  
Auditor of State



VILLAGE OF ROME  
ADAMS COUNTY

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**Mary Taylor, CPA**  
Auditor of State

Village of Rome  
Adams County  
P.O. Box 335  
Stout, Ohio 45684

To the Village Council:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

November 7, 2008

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Village of Rome  
Adams County  
P.O. Box 335  
Stout, Ohio 45684

To the Village Council:

We have audited the accompanying financial statements of the Village of Rome, Adams County, Ohio (the Village), as of and for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the Village'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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

The Village did not classify disbursements (other than Capital Outlays in 2006) in the accompanying 2007 and 2006 financial statements. Ohio Administrative Code Section 117-2-02(A) requires governments to classify disbursement transactions.

As described more fully in Note 1, the Village has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Village's larger (i.e. major) funds separately. While the Village does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Villages to reformat their statements. The Village has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2007 and 2006 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Village as of December 31, 2007 and 2006, or its changes in financial position for the years then ended.

The Village did not use the encumbrance method of accounting as required by Ohio Revised Code Chapter 5705 for the years ended December 31, 2007 and 2006. The basis of accounting prescribed by the Auditor of State requires the Village to report outstanding encumbrances at year end as budgetary expenditures. Accordingly, budgetary expenditures in Note 3 do not include encumbrances. It was not practical for us to determine the amount of unrecorded encumbrances for the years ended December 31, 2007 and 2006.

Also in our opinion, except, for the omission of classified disbursement classifications and except for such adjustments, if any, that would have been necessary had the Village used the encumbrance method of accounting as required by Ohio Rev. Code Chapter 5705 for the years ended December 31, 2007 and 2006 as disclosed in the above paragraph above, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Rome, Adams County, as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Village has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2008, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



**Mary Taylor, CPA**  
Auditor of State

November 7, 2008



**VILLAGE OF ROME  
ADAMS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<b>General</b>	<b>Special Revenue</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts:</b>			
Property and Local Taxes	\$4,934		\$4,934
Intergovernmental	4,126	\$4,930	9,056
Interest Income	82		82
Miscellaneous	168	231	399
	9,310	5,161	14,471
<b>Cash Disbursements:</b>			
Current:			
Unclassified	6,153		6,153
	6,153	0	6,153
Total Receipts Over/(Under) Disbursements	3,157	5,161	8,318
Fund Cash Balances, January 1	9,132	14,237	23,369
<b>Fund Cash Balances, December 31</b>	<b>\$12,289</b>	<b>\$19,398</b>	<b>\$31,687</b>

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

**VILLAGE OF ROME  
ADAMS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<b>General</b>	<b>Special Revenue</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts:</b>			
Property and Local Taxes	\$4,981		\$4,981
Intergovernmental	4,031	\$5,850	9,881
Miscellaneous	182		182
	<u>9,194</u>	<u>5,850</u>	<u>15,044</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Current:			
Capital Outlay		9,026	9,026
Unclassified	19,501		19,501
	<u>19,501</u>	<u>9,026</u>	<u>28,527</u>
<b>Total Cash Disbursements</b>			
Total Receipts Over/(Under) Disbursements	<u>(10,307)</u>	<u>(3,176)</u>	<u>(13,483)</u>
Fund Cash Balances, January 1	<u>19,439</u>	<u>17,413</u>	<u>36,852</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$9,132</b></u>	<u><b>\$14,237</b></u>	<u><b>\$23,369</b></u>

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

**VILLAGE OF ROME  
ADAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Rome, Adams County, Ohio (the Village), as a body corporate and politic. A publicly-elected six-member Council directs the Village. The Village provides general government services including road maintenance

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

**B. Accounting Basis**

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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).

The Village did not classify disbursements in the accompanying financial statements. This is a material departure from the requirements of the Ohio Administrative Code, Section 117-2-02(A), (effective July 1, 2000).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Cash**

The Village maintains all available funds in a non-interest-bearing checking account.

**D. Fund Accounting**

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

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Fund:

Street Construction, Maintenance and Repair Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing Village streets.

VILLAGE OF ROME  
ADAMS COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006  
(Continued)

1. Summary of Significant Accounting Policies (Continued)

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, function or object level of control, and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures 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 Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. The Village did not use the encumbrance method of accounting.

A summary of 2007 budgetary activity appears in Note 3. The Village did not adopt or file a tax budget or file appropriations for 2006. In addition the Village did not certify their fund balances to the County Auditor nor did the Clerk certify expenditures before authorizing payment.

F. Property, Plant, and Equipment

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

2. Equity in Pooled Cash and Deposits

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

	<u>2007</u>	<u>2006</u>
Demand deposits	<u>\$31,687</u>	<u>\$23,369</u>

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

**VILLAGE OF ROME  
ADAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006  
(Continued)**

**3. Budgetary Activity**

Budgetary activity for the year ended December 31, 2007 as follows:

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$8,100	\$9,310	\$1,210
Special Revenue	0	5,161	5,161
Total	\$8,100	\$14,471	\$6,371

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$12,888	\$6,153	\$6,735
Special Revenue	7,000	0	7,000
Total	\$19,888	\$6,153	\$13,735

2006 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$0	\$9,194	\$9,194
Special Revenue	0	5,850	5,850
Total	\$0	\$15,044	\$15,044

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$0	\$19,501	(\$19,501)
Special Revenue	0	9,026	(9,026)
Total	\$0	\$28,527	(\$28,527)

Contrary to Ohio Law, the Village of Rome did not adopt any appropriations, did not certify balances, obtain a certificate of estimated resources and did not file a tax budget for 2006. Therefore expenditures exceeded appropriations for all funds in 2006.

**4. Property Tax**

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

**VILLAGE OF ROME  
ADAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006  
(Continued)**

**4. Property Tax (Continued)**

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

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 Village.

**5. Retirement System**

The Village employees pay into Social Security and do not belong to the Public Employee's Retirement System.

**6. Risk Management**

The Village is uninsured for the following risks:

- Comprehensive property and general liability; and
- Errors and omissions.



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Village of Rome  
Adams County  
P.O. Box 335  
Stout, Ohio 45684

To the Village Council:

We have audited the financial statements of the Village of Rome, Adams County, Ohio (the Village), as of and for the year ended December 31, 2007 and 2006, and have issued our report thereon dated November 7, 2008, wherein we noted the Village followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We also noted that the Village did not classify disbursements (other than 2006 Capital Outlays). In the accompanying 2006 financial statements, and that the Village did not use the encumbrance method of accounting as required by Ohio Revised Code Chapter 5705. 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 the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Village's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Village's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Village's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting: 2007-001 through 2007-002.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Village's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies in internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, we believe the significant deficiencies described above: findings number 2007-001 through 2007-002 are also material weaknesses.

We also noted certain internal control matters that we reported to the Village's management in a separate letter dated November 7, 2008.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Village's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2007-001 to 2007-002.

We intend this report solely for the information and use of the Village Council and management.



**Mary Taylor, CPA**  
Auditor of State

November 7, 2008



**VILLAGE OF ROME  
ADAMS COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2007 AND 2006**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2007-001**

**Noncompliance Citation/Material Weakness**

**Ohio Rev. Code, Section 5705.36(A)(1)**, provides in part that on or about the first day of each fiscal year, the Fiscal Officer of each subdivision and other taxing unit shall certify to the County Auditor the total amount from all sources available for expenditure from each fund set up in the tax budget. This certified amount shall include any unencumbered balances that existed at the end of the preceding year. The Village did not certify their fund balances for 2006. By not certifying year-end balances to the County Auditor, and subsequently obtaining an amended Certificate of Estimated Resources from the County, the Village could base appropriations on outdated estimates of available resources which could result in negative fund balances.

Furthermore, **Ohio Rev. Code, Section 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.

**Ohio Rev. Code, Section 5705.28(A)(2)**, requires that a tax budget be adopted by July 15th.. The Village of Rome did not adopt or file a tax budget for 2006. The Village Council needs to take an active role to ensure that they meet budgetary compliance.

The Village Council did not approve annual appropriations for 2006 and did not certify them with the County Auditor.

**Ohio Admin. Code, Section 117-2-02(C)(1)**, states, in part, that all local public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial account system. The legal level of control is the level (e.g. fund, program or function, department, or object) at which spending in excess of budgeted amounts would be a violation of law. This is established by the level at which the legislative body appropriates. For all local public offices subject to the provisions of Chapter 5705 of the Revised Code, except school districts and public libraries, the minimum legal level of control is described in Section 5705.38 of the Revised Code.

**Ohio Rev. Code, Section 5705.38(C)**, states that appropriation measures shall be classified so as to set forth separately the amounts appropriated for each office, department, and division, and, within each, the amount appropriated for personal services.

The Village's appropriations did not meet the minimum legal level of control for the year ended December 31, 2006.

**FINDING NUMBER 2007-001  
(Continued)**

**Ohio Rev. Code, Section 5705.41(B)**, prohibits a subdivision from making an expenditure unless it has been properly appropriated.

The Village of Rome did not adopt or file a tax budget for 2006. Therefore, the Village Council did not approve annual appropriations for 2006, nor did they certify them with the County Auditor. As such the Village's appropriations did not meet the minimum legal level of control for the year ended December 31, 2006, and all expenditures for the year ended December 31, 2006.

Failure to monitor budgetary activity can result in overspending and negative fund balances. The Village Council needs to take an active role to ensure that they meet budgetary compliance. We recommend the Fiscal Officer deny any payments until the legislative authority has passed the necessary changes to the appropriation measure. The management of the Village should monitor the Village's budgetary receipts and expenditures by having the Fiscal Officer provide budgetary reports at least quarterly to be reviewed and approved by Council. By regularly monitoring its budgetary position throughout the year, the Village will be better able to determine when amendments need to be made to original budgeted receipts thus avoiding negative fund/account code balances, and will be better prepared for making decisions which effect the overall cash position of the Village. The Village should refer to the Ohio Compliance Supplement and Village Officer's Handbook for guidance on the legal budgetary process.

**FINDING NUMBER 2007-002**

**Noncompliance Citation/Material Weakness**

**Ohio Rev. Code, Section 5705.41(D)(1)**, provides that a subdivision or taxing unit shall not make any contract or order involving the disbursement of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation 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 encumbrance. Every such contract made without such a certificate shall be null and void and no warrant shall be issued in payment.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. "Then and Now" Certificate – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Village can authorize the drawing of a warrant for the payment of the amount due. The Village has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Village.

**FINDING NUMBER 2007-002  
(Continued)**

2. Blanket Certificate – Fiscal officers may prepare “blanket” certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. Super Blanket Certificate – The Village may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

The Village completed purchase orders for certain commitments, such as capital outlay equipment purchases in 2006, however the Village Fiscal Officer did not certify the availability of funds prior to purchase commitments being made for 100% of the expenditures in 2006 or 2007. In addition, the Fiscal Officer did not encumber the appropriations for the amount of the commitments.

Unless the exceptions noted above are used, prior certification is not only required by statute, but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Village’s funds exceeding budgetary spending limitations, we recommend that the fiscal officer certify that the funds are or will be available prior to obligation by the Village. When prior certification is not possible, “then and now” certification should be used.

We recommend the Village certify purchases to which section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The fiscal officer should sign the certification at the time the Village incurs a commitment, and only when the requirements of 5705.41(D) are satisfied. The fiscal officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

**We did not receive a response from Officials to the findings reported above.**

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**VILLAGE OF ROME  
ADAMS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2007 AND 2006**

FINDING NUMBER	FINDING SUMMARY	FULLY CORRECTED?	NOT CORRECTED, PARTIALLY CORRECTED; SIGNIFICANTLY DIFFERENT CORRECTIVE ACTION TAKEN; OR FINDING NO LONGER VALID; <b>EXPLAIN</b>
Finding Number 2005-001	Ohio Rev. Code, Section 5705.41(D), Prior Certification.	No	Attempts have been made to correct the problem. Repeated as Finding Number 2007-002.
Finding Number 2005-002	Ohio Rev. Code, Section 5705.38(A), Appropriations not passed.	No	Did not pass any appropriations for 2006. Repeated as Finding Number 2007-001.
Finding Number 2005-003	Ohio Rev. Code, Section 5705.36, Certification of Fund Balances.	No	Did not certify 2006 balances with the Adams County Auditor. Repeated as Finding Number 2007-001.
Finding Number 2005-004	Ohio Rev. Code, Section 5705.41(B), expenditures exceeded appropriations.	No	The Village did not pass any appropriations for 2006 and expenditures did exceed appropriations. Repeated as Finding Number 2007-001.
Finding Number 2005-005	Ohio Rev. Code, Section 121.22, minute records were not maintained of any regular or special meetings.	Yes	Village maintained minute records for 2006 and 2007.
Finding Number 2005-006	26 U.S.C., Section 3102. (a), medicare was withheld and not remitted.	Yes	Present Fiscal Officer resolved the matter with the Internal Revenue Service.
Finding Number 2005-006	26 U.S.C. Section 1.6041-2, W-2's not presented for audit.	Yes	Present Fiscal Officer resolved the matter with the Internal Revenue Service.
Finding Number 2005-007	Ohio Rev. Code, Section 145.03, requires compulsory membership of public employees to the Public Employees Retirement System (PERS).	Yes	Social Security is withheld from wages instead of PERS.





**Mary Taylor, CPA**  
Auditor of State

**VILLAGE OF ROME**

**ADAMS 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  
DECEMBER 4, 2008**