



Mary Taylor, CPA
Auditor of State

**SPRINGFIELD TOWNSHIP
CLARK COUNTY**

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Mary Taylor, CPA
Auditor of State

Springfield Township
Clark County
27777 Springfield Xenia Road
Springfield, Ohio 45506

To the Board of Trustees:

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.

Mary Taylor

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Auditor of State

October 8, 2008

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Springfield Township
 Clark County
 27777 Springfield Xenia Road
 Springfield, Ohio 45506

To the Board of Trustees:

We were engaged to audit the accompanying financial statements of Springfield Township, Clark County (the Township) as of and for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the Township's management.

The Township presented us with financial statements reflecting the Township's transactions for the audit period. However, the Township was unable to provide us with sufficient documentation or evidential matter to support the existence, valuation, completeness and accuracy of the cash receipts, cash disbursements or fund balances for years ended December 31, 2007 and 2006. As a result, we were unable to satisfy ourselves as to the total revenues, expenditures, and fund cash balances as of December 31, 2007 and 2006.

Governmental Accounting and Financial Reporting Standards codification section 2300.106 states, the notes to the financial statements are essential to the fair presentation of the financial statements. The Township did not present Notes to the Financial Statements for audit for fiscal years ending December 31, 2007 and 2006.

During 2007 and 2006, the Township made transfers from the General Fund without proper authorization by resolution of the Board of Trustees. Had the adjustments been posted to the Township accounting records, the Township's year end fund cash balances would have increased or decreased as follows:

<u>2007</u>	<u>Increase Cash Balance</u>	<u>Decrease Cash Balance</u>
General Fund	\$694,296	
Emergency Services Levy Fund		\$ 1,121
Fire District Levy Fund		17,012
Zoning Fund		54,332
Road and Bridge Fund		423,465
Road District Levy Fund		198,366
<u>2006</u>	<u>Increase Cash Balance</u>	<u>Decrease Cash Balance</u>
General Fund	\$721,268	
Emergency Services Levy Fund		\$ 8,121
Zoning Fund		47,386
Road and Bridge Fund		382,250
Road District Levy Fund		283,511

During 2007 and 2006, the Township had financial activity which was not posted for debt proceeds (\$1,483,000 in 2006) in the Permanent Improvement Fund; debt payments (\$209,127 in 2006) in the Permanent Improvement Fund; investment earnings (\$20,409 in 2007 and \$23,207 in 2006) in the General Fund; and payroll (\$28,633 in 2007 and \$49,110 in 2006) in the General, Road & Bridge, Cemetery, Fire District Levy, Zoning, and EMS Operations funds. Had the adjustments been posted to the Township accounting records, the Township's year end fund cash balances would have increased or decreased as follows:

2007	Increase Cash Balance	Decrease Cash Balance
General Fund	\$20,409	\$5,948
Road and Bridge Fund		11,685
Cemetery Fund		593
Fire District Levy Fund		617
Zoning Fund		518
EMS Operations Fund		9,272

2006	Increase Cash Balance	Decrease Cash Balance
Permanent Improvement Fund	\$1,483,000	\$209,127
General Fund	23,207	5,910
Road and Bridge Fund		18,560
Cemetery Fund		1,435
Fire District Levy Fund		3,568
Zoning Fund		1,321
EMS Operations Fund		18,316

During 2006, the Township posted an unsupported expenditure entry (\$976,730) to the Permanent Improvement Fund. The Township was unable to provide us with sufficient documentation or evidential matter to support the existence, valuation, completeness and accuracy of the expenditure. As a result, we were unable to satisfy ourselves as to the total expenditures and fund cash balances as of December 31, 2007 and 2006.

Because of the significance of the matters stated in the preceding paragraphs, the scope of our procedures was not sufficient to enable us to express, and we do not express, an opinion on the financial statements referred to in paragraph 1 for the years ended December 31, 2007 and 2006.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2008, 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 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 engagement performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our engagement.



Mary Taylor, CPA
 Auditor of State

October 8, 2008

**SPRINGFIELD TOWNSHIP
CLARK 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**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Special Assessment</u>	
Cash Receipts:					
Property and Other Local Taxes	\$6,286	\$1,363,646	\$211,620		\$1,581,552
Charges for Services		85,585			85,585
Licenses, Permits, and Fees		55,231			55,231
Intergovernmental	322,166	206,048	34,832		563,046
Special Assessments				\$4,566	4,566
Earnings on Investments	172,897	1,000			173,897
Miscellaneous	211,201	197,077	31,881		440,159
Total Cash Receipts	<u>712,550</u>	<u>1,908,587</u>	<u>278,333</u>	<u>4,566</u>	<u>2,904,036</u>
Cash Disbursements:					
Current:					
General Government	849,261	27,243			876,504
Public Safety	8,641	692,573	10,674		711,888
Public Works	37,216	590,263		2,474	629,953
Other		85,000			85,000
Capital Outlay	35,027	283,782	968,661		1,287,470
Total Cash Disbursements	<u>930,145</u>	<u>1,678,861</u>	<u>979,335</u>	<u>2,474</u>	<u>3,590,815</u>
Total Receipts Over/(Under) Disbursements	<u>(217,595)</u>	<u>229,726</u>	<u>(701,002)</u>	<u>2,092</u>	<u>(686,779)</u>
Other Financing Receipts / (Disbursements):					
Sale of Bonds			(400,000)		(400,000)
Transfers-In		1,954,951			1,954,951
Transfers-Out	(694,295)	(1,261,777)			(1,956,072)
Other Financing Sources		24,752			24,752
Other Financing Uses			(8,441)		(8,441)
Total Other Financing Receipts / (Disbursements)	<u>(694,295)</u>	<u>717,926</u>	<u>(408,441)</u>		<u>(384,810)</u>
Excess of Cash Receipts and Other Financing Receipts Over / (Under) Cash Disbursements and Other Financing Disbursements	(911,890)	947,652	(1,109,443)	2,092	(1,071,589)
Fund Cash Balances, January 1	<u>2,691,368</u>	<u>164,249</u>	<u>3,087,008</u>	<u>61,017</u>	<u>6,003,642</u>
Fund Cash Balances, December 31	<u>\$1,779,478</u>	<u>\$1,111,901</u>	<u>\$1,977,565</u>	<u>\$63,109</u>	<u>\$4,932,053</u>
Reserve for Encumbrances, December 31	<u>\$0</u>	<u>\$8,700</u>	<u>\$0</u>	<u>\$0</u>	<u>\$8,700</u>

**SPRINGFIELD TOWNSHIP
CLARK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - NON-EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Fiduciary Fund Types</u>
	<u>Non-Expendable Trust</u>
Operating Cash Receipts:	
Total Operating Cash Receipts	<u>\$0</u>
Operating Cash Disbursements:	
Total Operating Cash Disbursements	<u>0</u>
Net Receipts Over/(Under) Disbursements	
Fund Cash Balances, January 1	<u>15,911</u>
Fund Cash Balances, December 31	<u><u>15,911</u></u>
Reserve for Encumbrances, December 31	<u><u>\$0</u></u>

**SPRINGFIELD TOWNSHIP
CLARK 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**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Special Assessment</u>	
Cash Receipts:					
Property and Other Local Taxes	\$6,182	\$1,214,880	\$173,876		\$1,394,938
Charges for Services		40,000			40,000
Licenses, Permits, and Fees		52,715			52,715
Fines and Forfeitures		10,000			10,000
Intergovernmental	273,054	223,509	685,385		1,181,948
Earnings on Investments	141,658	(354)			141,304
Miscellaneous	682,690	(210,367)	761,508		1,233,831
Total Cash Receipts	<u>1,103,584</u>	<u>1,330,383</u>	<u>1,620,769</u>		<u>4,054,736</u>
Cash Disbursements:					
Current:					
General Government	815,461	22,487			837,948
Public Safety	1,276	1,200,721	339,651		1,541,648
Public Works	29,919	740,764		\$1,947	772,630
Health		39,988			39,988
Conservation - Recreation		18,357			18,357
Other		59,798			59,798
Capital Outlay	407,797	411,179	2,340,029		3,159,005
Total Cash Disbursements	<u>1,254,453</u>	<u>2,493,294</u>	<u>2,679,680</u>	<u>1,947</u>	<u>6,429,374</u>
Total Receipts Over/(Under) Disbursements	<u>(150,869)</u>	<u>(1,162,911)</u>	<u>(1,058,911)</u>	<u>(1,947)</u>	<u>(2,374,638)</u>
Other Financing Receipts / (Disbursements):					
Sale of Notes			2,459,623		2,459,623
Transfers-In		1,716,729			1,716,729
Transfers-Out	(721,268)	(1,003,583)			(1,724,851)
Advances-In		(27,621)			(27,621)
Other Financing Sources		(254,654)			(254,654)
Other Financing Uses			(96,131)		(96,131)
Total Other Financing Receipts / (Disbursements)	<u>(721,268)</u>	<u>430,871</u>	<u>2,363,492</u>		<u>2,073,095</u>
Excess of Cash Receipts and Other Financing Receipts Over / (Under) Cash Disbursements and Other Financing Disbursements	(872,137)	(732,040)	1,304,581	(1,947)	(301,543)
Fund Cash Balances, January 1	<u>2,949,237</u>	<u>1,470,568</u>	<u>845,685</u>	<u>62,964</u>	<u>5,328,454</u>
Fund Cash Balances, December 31	<u><u>\$2,077,100</u></u>	<u><u>\$778,517</u></u>	<u><u>\$2,110,278</u></u>	<u><u>\$61,017</u></u>	<u><u>\$5,026,911</u></u>
Reserve for Encumbrances, December 31	<u>\$0</u>	<u>\$8,700</u>	<u>\$0</u>	<u>\$0</u>	<u>\$8,700</u>

**SPRINGFIELD TOWNSHIP
CLARK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - NON-EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Fiduciary Fund Types
	Non-Expendable Trust
Operating Cash Receipts:	
Interest	(\$1,409)
Total Operating Cash Receipts	(1,409)
Operating Cash Disbursements:	
Total Operating Cash Disbursements	
Operating Income/(Loss)	(1,409)
Fund Cash Balances, January 1	17,320
Fund Cash Balances, December 31	\$15,911
Reserve for Encumbrances, December 31	\$0



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*

Herb Greer, Fiscal Officer
Springfield Township, Clark County
27777 Springfield Xenia Road
Springfield, Ohio 45506

To the Board of Trustees:

We were engaged to audit the financial statements of Springfield Township, Clark County, (the Township) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated October 8, 2008, wherein we disclaimed our opinion upon the financial statement because the Township was unable to provide us with sufficient documentation or evidential matter to support the cash receipts, cash disbursements and fund cash balances reflected in the financial statements for the years ended December 31, 2007 and 2006. In addition, we were not provided Notes to the Financial Statement for fiscal years ended December 31, 2007 or 2006 required by Governmental Accounting and Financial Reporting Standards codification section 2300.106. Furthermore, for fiscal years ending December 31, 2007 and 2006, the Township made transfers from the General Fund without proper Board authorization, the Township posted an unsupported expenditure entry (\$976,730) to the Permanent Improvement Fund and the Township had financial activity not posted to the financial statements.

Internal Control over Financial Reporting

In planning and performing our engagement, we considered the Township'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 Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township'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 Township'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 Township'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 and 2007-015 through 2007-020.

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**Internal Control over Financial Reporting
(Continued)**

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, we believe findings number 2007-001 and 2007-015 through 2007-020 are also material weaknesses.

We also noted certain internal control matters that we reported to the Township's management in a separate letter dated October 8, 2008.

Compliance and Other Matters

As part of reasonably assuring whether the Township'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 engagement and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as items 2007-001 through 2007-015.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated October 8, 2008.

The Township's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the Township's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of management and the Board of Trustees. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

October 8, 2008

**SPRINGFIELD TOWNSHIP
CLARK COUNTY**

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

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

FINDING NUMBER 2007-001

Material Weakness/Noncompliance Citation/Finding for Adjustment

Ohio Rev. Code Sections 5705.14 and 5705.16 stipulate that except in case of transfers from the General Fund, transfers can be made only by resolution of the taxing authority passed with an affirmative vote of two thirds of the members. Transfers from the General Fund require a resolution passed by a simple majority of the board members. The following transfers were made during 2007 and 2006, and were not authorized by resolution of the Board of Trustees.

Fund	2007 Total Transfers In (Out)	2006 Total Transfers In (Out)
General Fund	(\$694,296)	(\$721,268)
Emergency Services Levy Fund	1,121	8,121
Fire District Levy Fund	17,012	
Zoning Fund	54,332	47,386
Road and Bridge Fund	423,465	382,250
Road District Levy Fund	198,366	283,511

Accordingly, a Finding for Adjustment is hereby issued for the following funds:

2007	Increase Cash Balance	Decrease Cash Balance
General Fund	\$694,296	
Emergency Services Levy Fund		\$ 1,121
Fire District Levy Fund		17,012
Zoning Fund		54,332
Road and Bridge Fund		423,465
Road District Levy Fund		198,366
2006	Increase Cash Balance	Decrease Cash Balance
General Fund	\$721,268	
Emergency Services Levy Fund		\$ 8,121
Zoning Fund		47,386
Road and Bridge Fund		382,250
Road District Levy Fund		283,511

The Board of Trustees should approve all transfers by resolution to be in compliance with this section of the Ohio Revised Code.

Officials' Response:

General Fund transfers to other funds of the Township. These will be reviewed by the Trustees and recorded in the official records of the Township.

FINDING NUMBER 2007-002

Noncompliance Citation

Ohio Rev. Code Section 5705.41(D) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund, free from any previous encumbrance.

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 Township can authorize the drawing of a warrant from the payment of the amount due. The Township 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 Township.

2. **Blanket certificate** – Fiscal officers may prepare "blanket" certificates not exceeding an amount established by resolution or ordinance adopted by the legislative authority, against any specific line item account over a period not running beyond the current 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 Township 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 one line item appropriation.

The Township did not properly certify the availability of funds prior to purchase commitment for 63% (69 items out of 110) of the expenditures tested and there was no evidence that the Township followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending fund and negative cash fund balances.

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 Township's funds exceeding budgetary spending limitations, we recommend that the Township's Fiscal Officer certifies that the funds are or will be available prior to the obligation by the Township. When prior certification is not possible, "then and now" certification should be used.

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

The Township should 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 Township 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.

Officials' Response:

Over the last two years, all department heads are required to issue purchase orders/certificates for all purchases of \$500 or more. After the conversion to UAN, all purchases will require Purchase Orders.

FINDING NUMBER 2007-003

Noncompliance Citation

Ohio Rev. Code Section 507.11(B) states that no money belonging to a township may be paid out except upon an order signed personally by at least two trustees and countersigned by the township fiscal officer.

After June 2006, the Township outsourced payroll to a local CPA firm. The checks presented to this firm for payment of payroll checks was signed only by the township clerk. Actual payroll checks were not signed by any Township official; rather a representative of the CPA firm signed each check.

To provide assurance that compliance with this Ohio Rev. Code section is met, and to provide additional assurance the payment is an authorized payment of the Township, the clerk and at least two trustees must sign each check.

Officials' Response:

A system that allows the Trustees to sign the payroll checks and the worksheet for the payroll has been established. All employees of the Township are required to have all payroll funds on direct deposit. This includes payrolls for Road, Fire, EMS and Administration.

FINDING NUMBER 2007-004

Noncompliance Citation

Ohio Rev. Code Section 149.351(A) states that all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under **Ohio Rev. Code Section 149.412**.

The signed contracts could not be presented for audit for two contracts (Breathing Air Systems and Aerial Ladder Truck) during the audit period. In addition, the bid not accepted could not be located for one of those contracts (Aerial Ladder Truck). To provide assurance that contracts are awarded to the lowest and best bid presented, all documentation should be maintained by the Township pursuant to an appropriate retention schedule adopted by the records commission under Ohio Rev. Code Section 149.412.

Officials' Response:

The contracts requested were Fire and EMS, those contracts were given to the Fire and EMS to verify that the contracts were met.

FINDING NUMBER 2007-005

Noncompliance Citation

Ohio Rev. Code Section 135.12(B) requires each governing board to meet every five years on the regularly scheduled meeting date of the month next preceding the date of expiration of its designation of depositories for the purpose designating public depositories for the period of five years commencing on the date of expiration of the next preceding designation.

There was no resolution in the Trustees minutes designating any bank as a Township depository for active, interim, or inactive deposits. Failure to designate depositories prohibits the Fiscal Officer from doing business with any bank. The Trustees should approve a resolution designating which banks the Township will do business with for active, interim, or inactive Township funds.

Officials' Response:

An RFP was sent out in late 2006 for the investment of intermediate funds. The contract was awarded to Huntington National Bank. A RFP was issued in late 2007 for the active funds. That contract was awarded to Security National Bank. Funds will be transferred after the conversion to UAN.

FINDING NUMBER 2007-006

Noncompliance Citation

Ohio Rev. Code Section 135.14(O)(1) states that no treasurer or governing board shall make an investment or deposit under this section, unless there is on file with the auditor of state a written investment policy approved by the treasurer or governing board. The policy shall require that all entities conducting investment business with the treasurer or governing board shall sign the investment policy of that subdivision. All brokers, dealers, and financial institutions, described in division (M)(1) of this section, initiating transactions with the treasurer or governing board by giving advice or making investment recommendations shall sign the treasurer's or governing board's investment policy thereby acknowledging their agreement to abide by the policy's contents. All brokers, dealers, and financial institutions, described in division (M)(1) of this section, executing transactions initiated by the treasurer or governing board, having read the policy's contents, shall sign the investment policy thereby acknowledging their comprehension and receipt.

(2) If a written investment policy described in division (O)(1) of this section is not filed on behalf of the subdivision with the auditor of state, the treasurer or governing board of that subdivision shall invest the subdivision's interim moneys only in interim deposits pursuant to division (B)(3) of this section, no-load money market mutual funds pursuant to division (B)(5) of this section, or the Ohio subdivision's fund pursuant to division (B)(6) of this section.

The Township had adopted an investment policy in 2001, however, there was no evidence that the policy had been filed with the Auditor of State of Ohio or that it was signed by all brokers, dealers, and financial institutions.

The investment policy should be signed by the Township Trustees and all brokers, dealers and financial institutions and be filed with the Auditor of State of Ohio as required by the above section of code.

Officials' Response:

The Township accepted an investment policy in 2005. A copy of the reviewed policy was not sent to the State Auditor's office for their records. It will be reviewed and forwarded to the Auditor of State.

FINDING NUMBER 2007-007

Noncompliance Citation

Ohio Rev. Code Section 5705.39 states, in part, that the total appropriations from each fund shall not exceed the total of estimated revenue available for expenditures.

The Board did not formally approve appropriations for either 2007 or 2006 even though the appropriation documents were on file with the Clark County Auditor. During 2007 and 2006, appropriations exceeded estimated resources for the following funds:

<u>Fund</u>	<u>Appropriations</u>	<u>Estimated Resources</u>	<u>Variance</u>
For 2006			
Gasoline Fund	\$ 180,000	\$ 169,565	(\$ 10,435)
Road & Bridge Fund	399,300	379,412	(19,888)
Lighting Fund	67,000	65,315	(1,685)
Fire District Fund	413,500	396,803	(16,697)
Park Fund	11,357		(11,357)
Motel Fund	138,000	129,655	(8,345)
Health Fund	204,000		(204,000)
EMS Equipment Fund	274,000	95,105	(178,895)
Total	<u>1,687,157</u>	<u>1,235,855</u>	<u>(451,302)</u>
For 2007			
Road & Bridge Fund	495,500	483,590	(11,910)
Lighting Fund	72,000	70,462	(1,538)
Road District Fund	230,000	226,839	(3,161)
Zoning Fund	45,000	29,731	(15,269)
Permanent Improvement Fund	700,000		(700,000)
Total	<u>\$1,542,500</u>	<u>\$ 810,622</u>	<u>(\$731,878)</u>

Excessive appropriations could lead to the making of expenditures or the incurrence of obligations in excess of actual resources. The Board of Trustees should monitor compliance with Ohio Revised Code Section 5705.39 and not allow appropriations which exceed estimated resources. Additionally, routine comparisons of budgeted versus actual activity should occur throughout the year to provide information for budgetary amendments and/or actual spending.

Officials' Response: No response was received.

FINDING NUMBER 2007-008

Noncompliance Citation

Ohio Rev. Code Section 5705.34 states, in part, that each taxing authority, by ordinance or resolution, shall authorize the necessary tax levies and certify them to the county auditor before the first day of October in each year, or at such later date as is approved by the tax commissioner.

The Board did not pass a resolution to authorize the tax levies of the township. The Township should adopt and implement policies that provide for timely approvals of tax levies.

Officials' Response:

As the Trustees were notified of the Tax Levy amount, the minutes do not reflect the approval of the levies.

FINDING NUMBER 2007-009

Noncompliance Citation

Ohio Rev. Code Section 5705.38(A) states that on or about the first day of each year, the taxing authority of each subdivision or other taxing unit shall pass an appropriation measure, and thereafter during the year it may pass any supplemental appropriation measures as it finds necessary, based on the revised tax budget or the official certificate of estimated resources or amendments of the certificate. If it desires to postpone the passage of the annual appropriation measure until an amended certificate is received based on the actual balances, it may pass a temporary appropriation measure for meeting the ordinary expenses of the taxing unit until no later than the first day of April of the current year, and the appropriations made in the temporary measure shall be chargeable to the appropriations in the annual appropriation measure for that fiscal year when passed.

The Board did not formally approve appropriations for either 2007 or 2006 even though the appropriation documents were on file with the Clark County Auditor. The Board should annually review appropriations as part of the budgetary process and perform periodic reviews throughout the year to determine the necessity of any amendments. Additionally, all approved appropriations should be formally documented via resolution and be included in the minutes. The Township should adopt policies which require formal approval of the annual appropriation measure.

Officials' Response:

The Trustees will be given the appropriations on a timely basis and it will be noted in the official records of the Township.

FINDING NUMBER 2007-010

Noncompliance Citation

Ohio Rev. Code Section 5705.41(B) provides that no subdivision or taxing unit is to expend money unless it has been appropriated.

The Board did not formally approve appropriations for either 2007 or 2006 even though the appropriation documents were on file with the Clark County Auditor. On December 31, 2006 and December 31, 2007, budgetary expenditures exceeded appropriations for the following funds:

<u>Fund</u>	<u>Appropriations</u>	<u>Actual Expenditures</u>	<u>Variance</u>
For 2006			
Fire District Levy Fund	\$ 413,500	\$ 546,492	(\$ 132,992)
Fire District Fund #1		81,774	(81,774)
Fire District Fund #2		138,296	(138,296)
Fire District Fund #3		77,401	(77,401)
Road District Fund	210,000	307,919	(97,919)
Park Fund	11,357	18,357	(7,000)
Emergency Levy #1		155,760	(155,760)
Emergency Levy #2		198,788	(198,788)
Emergency Levy #3		100,110	(100,110)
Fire Equipment Fund	801,000	1,060,829	(259,829)
Permanent Improvement Fund		1,191,496	(1,191,496)
EMS Equipment Fund	274,000	523,487	(249,487)
Total	<u>1,709,857</u>	<u>4,400,709</u>	<u>(2,690,852)</u>

**FINDING NUMBER 2007-010
 (Continued)**

<u>Fund</u>	<u>Appropriations</u>	<u>Actual Expenditures</u>	<u>Variance</u>
For 2007			
General Fund	1,101,720	1,624,440	(522,720)
Fire District Levy Fund	354,150	802,519	(448,369)
Fire District Fund #1		71,402	(71,402)
Fire District Fund #2		114,889	(114,889)
Fire District Fund #3		86,747	(86,747)
Emergency Services Levy Fund	10,000	459,259	(449,259)
Emergency Levy #2		2,168	(2,168)
Permanent Improvement Fund	700,000	838,928	(138,928)
Total	<u>\$2,165,870</u>	<u>\$4,000,352</u>	<u>(\$1,834,482)</u>

Spending more than appropriated allows for the occurrence of negative fund balances. The Township should develop and implement procedures to provide for monitoring of budgeted and actual activity and allow for budgetary amendments or changes in actual financial activity.

Officials' Response:

Many of the excess expenditures were part of the new building at 2777 Springfield Xenia Road. As the request for payment from the contract and the subcontractors came, the checks were written from the cited funds. When the money was transferred back to the Township, those funds were deposited and booked back to those funds affected.

FINDING NUMBER 2007-011

Noncompliance Citation

Ohio Rev. Code Section 5705.10(H) states that money paid into a fund must be used only for the purposes for which such fund has been established.

A negative fund balance indicates that money from one fund was used to cover the expenses of another fund. Although several more variances exist throughout 2006 and 2007, below are the more significant negative fund balances noted during 2006 and 2007:

<u>Fund</u>	<u>Month</u>	<u>Year</u>	<u>Amount</u>
Road & Bridge Fund	November	2006	(\$356,282)
Fire District #2	October	2006	(\$236,366)
Fire District #2	November	2006	(\$241,951)
Road & Bridge Fund	January	2007	(\$427,764)
Road & Bridge Fund	February	2007	(\$466,217)
Road & Bridge Fund	November	2007	(\$393,593)
Fire District #2	June	2007	(\$305,301)
Fire District #2	July	2007	(\$320,600)
Fire District #2	August	2007	(\$328,449)
Fire District #2	September	2007	(\$328,449)
Fire District #2	October	2007	(\$347,151)
Fire District #2	November	2007	(\$353,821)

**FINDING NUMBER 2007-011
 (Continued)**

Procedures should be developed and implemented to monitor fund balances to prevent overspending of individual fund balances. In the event additional funding is required, the Township should consider the use of allowable transfers or advances, or reducing disbursements until funds are available. In addition, the Township should refer to Auditor of State Bulletin 97-003 for the accounting treatment of inter-fund cash advances.

Officials' Response:

Transfers were made to the funds involved, but not recorded in the minutes and were disallowed by the previous auditor.

FINDING NUMBER 2007-012

Noncompliance Citation

Ohio Rev. Code Section 5705.36(A)(2) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be greater or less than the amount included in an official certificate, the fiscal officer may certify the amount of the deficiency or excess to the commission, and if the commission determines that the fiscal officer's certification is reasonable, the commission shall certify an amended official certificate reflecting the deficiency or excess.

An increased amended certificate must be obtained if the legislative authority intends to appropriate and expend excess revenue. A reduced amended certificate must be obtained if the amount of the deficiency will reduce available resources below the current level of appropriation.

<u>Fund</u>	<u>Actual Receipts</u>	<u>Estimated Receipts</u>	<u>Variance</u>
For 2006			
Cemetery Fund	\$ 19,705	\$ 30,000	(\$ 10,295)
Cemetery Trust Fund		2,000	(2,000)
Lighting Fund		4,250	(4,250)
Fire District Fund	192,240	261,941	(69,701)
Permissive Fund	41,001	52,000	(10,999)
EMS Operations Fund	150,018	969,884	(819,866)
Total	402,964	1,320,075	(917,111)
For 2007			
Motor Vehicle License Fund	22,876	33,500	(10,624)
Cemetery Trust Fund		3,000	(3,000)
Fire District Fund	225,475	263,803	(38,328)
Motel Fund	114,140	125,000	(10,860)
Permissive Fund	34,934	40,000	(5,066)
EMS Equipment Fund	34,832	144,217	(109,385)
EMS Operations Fund	571,571	976,406	(404,835)
Total	\$1,003,828	\$1,585,926	(\$582,098)

Instances of estimated receipts exceeding actual receipts allow for over appropriating and overspending fund assets, as noted in finding 2007-011. The Township should develop and implement procedures to routinely monitor the entire budgetary cycle and make revisions to budgeted figures or actual financial activity as needed.

**FINDING NUMBER 2007-012
(Continued)**

Officials' Response:

I do not believe that many of these numbers are correct. The variances were from the total amount available from carry over balances from the prior year.

Auditor of State's Analysis:

The actual receipts in this finding were obtained from the Township's Cash Summary by Fund. The estimated receipts in this finding were obtained from the Township's Official Certificate of Estimated Resources.

FINDING NUMBER 2007-013

Noncompliance Citation

Ohio Rev. Code Section 135.18(A) states, in part, that the treasurer, before making the initial deposit in a public depository pursuant to an award made under sections 135.01 to 135.21 of the Revised Code, shall require the institution designated as a public depository to pledge to and deposit with the treasurer, as security for the repayment of all public moneys to be deposited in the public depository during the period of designation pursuant to the award, eligible securities of aggregate market value equal to the excess of the amount of public moneys to be at the time so deposited, over and above the portion or amount of such moneys as is at that time insured by the federal deposit insurance corporation or by any other agency or instrumentality of the federal government.

Ohio Rev. Code Section 135.18(B) states that depositories may pledge the following securities:

1. Bonds, notes, or other obligations of the United States; or bonds, notes, or other obligations guaranteed as to principal and interest by the United States or those for which the faith of the United States is pledged for the payment of principal and interest thereon, by language appearing in the instrument specifically providing such guarantee or pledge and not merely by interpretation or otherwise;
2. Bonds, notes, debentures, letters of credit, or other obligations or securities issued by any federal government agency or instrumentality, or the export-import bank of Washington; bonds, notes, or other obligations guaranteed as to principal and interest by the United States or those for which the faith of the United States is pledged for the payment of principal and interest thereon, by interpretation or otherwise and not by language appearing in the instrument specifically providing such guarantee or pledge;
3. Obligations of or fully insured or fully guaranteed by the United States or any federal government agency or instrumentality;
4. Obligations partially insured or partially guaranteed by any federal agency or instrumentality;
5. Obligations of or fully guaranteed by the federal national mortgage association, federal home loan mortgage corporation, federal farm credit bank, or student loan marketing association;
6. Bonds and other obligations of this state;

FINDING NUMBER 2007-013
(Continued)

7. Bonds and other obligations of any county, township, school district, municipal corporation, or other legally constituted taxing subdivision of this state, which is not at the time of such deposit, in default in the payment of principal or interest on any of its bonds or other obligations, for which the full faith and credit of the issuing subdivision is pledged;
8. Bonds of other states of the United States which have not during the ten years immediately preceding the time of such deposit defaulted in payments of either interest or principal on any of their bonds;
9. Shares of no-load money market mutual funds consisting exclusively of obligations described in division (B)(1) or (2) of this section and repurchase agreements secured by such obligations;
10. A surety bond issued by a corporate surety licensed by the state and authorized to issue surety bonds in this state pursuant to Chapter 3929. of the Revised Code, and qualified to provide surety bonds to the federal government pursuant to 96 Stat. 1047 (1982), 31 U.S.C.A. 9304.

By written notice to the treasurer, an institution designated as a public depository may designate a qualified trustee and deposit the eligible securities required by this section with the trustee for safekeeping for the account of the treasurer (and the institution). In this case, the treasurer accepts the trustee's written receipt describing the securities which have been deposited with the trustee by the public depository. All such securities so deposited with the trustee are deemed to be pledged and deposited with the treasurer. [Section 135.18(D)].

Any federal reserve bank or branch located in this state or Federal Home Loan Bank is qualified to act as trustee for the safekeeping of securities.

Any institution mentioned in Section 135.03 is qualified to act as trustee for the safekeeping of securities, other than those belonging to itself, under this section.

Ohio Rev. Code Section 135.181 states that in lieu of the specific pledging requirements of Section 135.18, a public depository at its option may pledge a single pool of eligible securities to secure the repayment of all its public deposits not otherwise secured, provided that at all times the total market value of the securities so pledged is at least equal to one hundred five per cent of its total public deposits to be secured by the pooled securities, including the portion of these deposits covered by any federal deposit insurance.

The securities described in division (B) of section 135.18 (described above), shall be eligible as collateral, provided no such securities pledged as collateral are at any time in default as to either principal or interest.

A public depository must designate a qualified trustee (i.e., the Federal Reserve) and deposit the eligible pledged securities with that trustee for safekeeping. The depository must give written notice of the qualified trustee to any treasurer depositing public monies for which such securities are pledged. The treasurer shall accept the written receipt of the trustee describing the pool of securities so deposited by the depository. [Section 135.181(E)].

Upon request of a treasurer up to 4 times per year, a *public depository* must report: the amount of public monies deposited by the treasurer and secured and the total value based on the valuations described above, of the pool of securities pledged to secure public monies held by the depository, including those deposited by the treasurer [section 135.181(L)].

**FINDING NUMBER 2007-013
(Continued)**

Upon request of a treasurer up to 4 times per year, a *qualified trustee* must report the total value of the securities pool deposited with it by the depository and provide an itemized list of pooled securities. The trustee must make these reports as of the date the treasurer specifies.

The Township had deposits at the end of each year in excess of FDIC coverage, without securing evidence of the required collateral, which could potentially jeopardize the Township's deposits. The Township must require all banks to provide additional security to protect Township funds when the deposits exceed FDIC coverage and this coverage should be reviewed routinely to provide for its adequacy.

Officials' Response:

The only funds not covered by FDIC Insurance or specific pledge against those funds were those held by Westbanco and totaled under \$15,000. Also, all accounts at Westbanco are in the name of Springfield-Vale Cemetery.

FINDING NUMBER 2007-014

Noncompliance Citation

Ohio Rev. Code Section 507.04(A) states the township fiscal officer shall keep an accurate record of the proceedings of the board of township trustees at all of its meetings, and of all its accounts and transactions, including the acceptance of the bonds of township officers.

The minutes should be complete and accurate in reporting information. Indications were made within the minutes that trustees were provided financial information, but there were no specific details as to which reports were presented for the trustee's approval. Draft statements presented to Auditor of State include transfers of funds, but there is no indication in the minutes of these transfers being authorized by the trustees. The minutes did not indicate approval of appropriations, approval of tax rates, or approval of a lease agreement signed by the township in the amount of \$1,483,000.

The minutes should be detailed and include all pertinent information of each meeting, including all actions taken by the trustees. The Township should develop and implement procedures to provide for a complete and accurate record of proceedings for meetings of the board of trustees.

Officials' Response:

Much more care to capture the actions that take place during any meeting of the Township Trustees. We are also keeping minutes at the work sessions prior to each regular meeting.

FINDING NUMBER 2007-015

**Noncompliance Citation/Material Weakness/Finding for Adjustment
Posting of Financial Activity**

Ohio Rev. Code Section 5705.10(D) states that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose is to be paid into a special fund for such purpose.

The financial statements of the Township should reflect an accurate account of its activity. Several items were misclassified within receipt codes or expenditure codes. In addition, the following transactions were not posted to the accounting system:

**FINDING NUMBER 2007-015
 (Continued)**

- Debt proceeds of \$1,483,000 were not posted during 2006 to the Permanent Improvement Fund.
- Debt payments (principal and interest) of \$209,127 were not posted during 2006 to the Permanent Improvement Fund.
- Investment earnings of \$20,409 in 2007 and \$23,207 in 2006 were not posted to the General Fund.
- Payroll posting of \$28,633 in 2007 and \$49,110 in 2006 were not posted to the General, Road & Bridge, Cemetery, Fire District Levy, Zoning, and EMS Operations Funds.

Accordingly, a Finding for Adjustment is hereby issued for the following funds:

<u>2007</u>	<u>Increase Cash Balance</u>	<u>Decrease Cash Balance</u>
General Fund	\$20,409	\$5,948
Road and Bridge Fund		11,685
Cemetery Fund		593
Fire District Levy Fund		617
Zoning Fund		518
EMS Operations Fund		9,272

<u>2006</u>	<u>Increase Cash Balance</u>	<u>Decrease Cash Balance</u>
Permanent Improvement Fund	\$1,483,000	\$209,127
General Fund	23,207	5,910
Road and Bridge Fund		18,560
Cemetery Fund		1,435
Fire District Levy Fund		3,568
Zoning Fund		1,321
EMS Operations Fund		18,316

Inaccurate financial reporting impedes the ability of the Trustees to make accurate decisions. The Township should develop and implement internal control procedures to provide for accurate reporting of financial activity including routine reviews of all financial records.

Officials' Response:

Steps are now in place to catch any errors of all funds are now being checked on a weekly and monthly basis. Corrections have been made to the records of the Township.

Auditor of State's Analysis:

No evidence has been provided to substantiate that these corrections have made to the Township records.

FINDING NUMBER 2007-016

Material Weakness Financial Information Monitoring

The Clerk presented financial information to the Board of Trustees periodically at meetings, but the minutes did not indicate it was reviewed or approved by the Trustees. To provide that sound financial decisions are made, the Trustees must have financial information that is accurate, complete, and up-to-date. The Clerk should be presenting to the Trustees and the Trustees should be reviewing information concerning receipts and expenditures showing budget and actual amounts. The Township should also develop review procedures to ensure accurate financial reporting of the Township's activity. The accounting system should be utilized to obtain this information to present to the Board.

Officials' Response:

The Trustees receive monthly financial statements including the following: Pending Warrants, Cash Journal, Cash Summary by Fund, Appropriation Status, and Receipt Status.

FINDING NUMBER 2007-017

Material Weakness Monitoring of Payroll

The Township has outsourced its payroll function to a local firm. All information was presented to the firm at the end of the pay period for processing. The firm processed payroll and wrote each payroll check. Payroll checks were drawn upon an account that was not in the name of the township, and the clerk did not have any signatory authority. The firm presented the township with ledgers for each pay period, month to date and year to date. These reports were not reviewed by the clerk or the trustees to determine the completeness or accuracy of the processed information. No report was received from the firm showing a reconciliation of the townships payroll, or any outstanding payroll checks. To provide additional assurance that the township payroll is complete and accurate as well as properly posted the pay period reports should be reviewed by township officials.

Officials' Response:

Bi-weekly payroll is being checked by the Fiscal Officer and should be also checked by a Trustee.

FINDING NUMBER 2007-018

Material Weakness Cash Reconciliations

The reconciliation presented by the Township Clerk for the period ending December 31, 2006 includes several errors and omissions. No reconciliation was completed for December 31, 2007. Errors and omissions included in the 2006 reconciliation include the following:

- Some lease payments were taken directly out of a township account without utilizing the accounting system in the amount of \$209,127 during 2006. These payments were not posted to the townships accounting system. A Finding for Adjustment was issued in finding 2007-015 for this amount.
- Payroll transactions for 2006 in the amount of \$49,110 were not included in the townships accounting ledgers. A counter check from the bank was used to disburse these funds from the account, but the entries were not posted to the accounting ledgers. A Finding for Adjustment was issued in finding 2007-015 for this amount.

**FINDING NUMBER 2007-018
(Continued)**

- The Township's outstanding check list included checks that have already cleared the bank. In addition, the outstanding check list was not correctly totaled.
- An expenditure entry made in 2006 to the Permanent Improvement Fund in the amount of \$976,730 did not have any supporting documentation included with it. This contributed to the scope of our procedures not being sufficient enough to express an opinion on the financial statements.

The Township should develop and implement procedures to provide for the timely reconciliation of bank to book balances as well as follow up on any reconciling items.

Officials' Response:

Monthly cash reconciliations are current through August 2008 and September 2008 is being finished, when the checking account statement is available.

Auditor of State's Analysis:

No evidence has been provided to substantiate that these reconciliations are current through the date indicated in the Officials Response.

FINDING NUMBER 2007-019

Material Weakness

Notes to the Financial Statements

Governmental Accounting and Financial Reporting Standards codification section 2300.106 states, the notes to the financial statements are essential to the fair presentation of the financial statements. They are intended to communicate information that is necessary and that cannot be included in the financial statements themselves. The notes provide necessary disclosure of material items, the omission of which would cause the financial statements to be misleading. The notes are an integral part of the financial statements and are intended to be read with the financial statements. They provide management and taxpayers with additional information to explain items in the financial statements.

The Township did not present any Notes to the Financial Statements for audit. The Township should develop and implement procedures to provide for the inclusion of all required note disclosures in the financial statements.

Officials' Response:

Auditor personnel stated that notes did not need to be prepared as the disclaimer was being filed. I will do the notes as I had started them at that time.

Auditor of State's Analysis:

The Township presented cash basis financials statements for audit. These financial statements and notes are required by **Ohio Rev. Code Section 117.38** to be submitted to the Auditor of State within 60 days of year end. Notes were not presented to audit staff for fiscal year 2006 or 2007 after requests were made on several occasions.

FINDING NUMBER 2007-020

**Material Weakness
Budgetary Monitoring**

Estimated revenue was not posted to the receipts journal and no monthly comparisons were made between estimated revenue and actual revenue. Lack of routine monitoring could permit a shortage of revenue to be undetected and inaccurate reporting of budgetary activity in the financial statements. As noted in finding 2007-016, the Board of Trustees should be provided this information to properly monitor financial activity so that budgetary amendments can be made as necessary.

Officials' Response:

The Fiscal Officer will add additional reports on a monthly basis. Some funds are not sent on a timely basis and additional information may be required.

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**SPRINGFIELD TOWNSHIP
CLARK 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; <i>Explain</i>
2005-001	Finding for Recovery for various purposed not serving a public purpose	Yes – Completely repaid.	N/A
2005-002	Ohio Rev. Code Section 5705.41(D) – not properly encumbering	No	Will be repeated as 2007-002.
2005-003	Ohio Rev. Code Section 135.21 – Interest was posted to unauthorized funds.	No	Will be repeated in management letter.
2005-004	Ohio Rev. Code Section 5705.34 – tax rates were not authorized.	No	Will be repeated as 2007-008.
2005-005	Ohio Rev. Code Section 5705.14 to 5705.16 – no approvals were documented for these transfers.	No	Will be repeated as 2007-001.
2005-006	Ohio Rev. Code Section 5705.10 – negative fund balances.	No	Will be repeated as 2007-011.
2005-007	26 CRF Section 1.6041-2 – inaccurate reporting of wages on W-2 form.	Yes	N/A
2005-008	Ohio Rev. Code Section 507.09(C) – clerks pay not in equal installments.	No	Will be repeated in management letter
2005-009	Ohio Rev. Code Section 5705.28 – tax budget not approved.	No	Will be repeated in management letter.
2005-010	Ohio Rev. Code Section 5705.38 – appropriation resolution not approved.	No	Will be repeated as 2007-009.
2005-011	Ohio Rev. Code Section 5705.36 – estimated receipts exceeded actual receipts.	No	Will be repeated as 2007-012.
2005-012	Ohio Rev. Code Section 5705.39 – appropriations exceeded estimated resources.	No	Will be repeated as 2007-007.
2005-013	Ohio Rev. Code Section 5705.41(B) – expenditures exceeded appropriations.	No	Will be repeated as 2007-010.
2005-014	Ohio Rev. Code Section 135.12 – no resolution to designate depository	No	Will be repeated as 2007-005.
2005-015	Ohio Rev. Code Section 135.14(O)(1) – investment policy was not filed with Auditor of State, nor was it signed by financial institutions.	No	Will be repeated as 2007-006.

**SPRINGFIELD TOWNSHIP
CLARK COUNTY**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2005-016	Ohio Rev. Code Section 135.18 and 135.181 – no evidence of collateral provided.	No	Will be repeated as 2007-013.
2005-017	Cash reconciliations were not correct.	No	Will be repeated as 2007-018.
2005-018	Financial activities were not properly posted to ledgers.	No	Will be repeated as 2007-015.
2005-019	Notes to the financial statements were not correct.	No	Will be repeated as 2007-019.
2005-020	Investment income not posted timely.	No	Will be repeated as part of 2007-015.
2005-021	No SAS 70 report received for Emergency Medical Services Billings and Service Organization.	Yes	N/A
2005-022	Several errors noted in disbursement process.	No	Partially corrected. Will be repeated in management letter.
2005-023	Estimated revenue was not posted to ledgers.	No	Will be repeated as 2007-020.
2005-024	Clerk's bond was not comparable to the amount of assets for which he is responsible.	Yes	N/A



Mary Taylor, CPA
Auditor of State

SPRINGFIELD TOWNSHIP

CLARK 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
FEBRUARY 10, 2009**