

**VILLAGE OF CONGRESS
WAYNE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2007 - 2006



Mary Taylor, CPA

Auditor of State

Village Council
Village of Congress
216 Mill Street
West Salem, Ohio 44287

We have reviewed the *Independent Accountants' Report* of the Village of Congress, Wayne County, prepared by Knox & Knox, for the audit period January 1, 2006 through December 31, 2007. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Accountants' Report* on your financial statements. While the Auditor of State 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. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Accountants' Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Congress is responsible for compliance with these laws and regulations.

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

Mary Taylor, CPA
Auditor of State

December 3, 2008

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VILLAGE OF CONGRESS
WAYNE COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Types For the year ended December 31, 2007.	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types For the year ended December 31, 2006.	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 Audit Findings.	13

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KNOX & KNOX

Accountants and Consultants

Independent Accountants' Report

Village of Congress
Wayne County
216 Mill Street
West Salem, Ohio 44287

We have audited the accompanying financial statements of the Village of Congress, Wayne County, Ohio, 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.

Except as noted below, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates, if any, 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 described more fully in Note 1, the Village has prepared its 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 variances between these regulatory accounting practices and GAAP, we presume they are material.

The Village did not accurately maintain its appropriations ledger regarding the posting of expenditures into proper account classifications.

Revisions to GAAP would require the Village to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2007 and 2006. Instead of combined funds, the accompanying financial statement present for 2007 and 2006, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2007 and 2006. While the Village does not follow GAAP, auditing standards generally accepted in the United States of America require us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Village has elected not to reformat its statements. Since the Village does not use GAAP to measure the financial statement amounts, 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 three 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.

Also, in our opinion, except as noted in the fourth paragraph, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Village of Congress, Wayne County, as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

The aforementioned revision to accounting principles generally accepted in the United States of America also requires the Village to include Management's Discussion and Analysis for the years ended December 31, 2007 and 2006. 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 17, 2008, on our consideration of the Village of Congress's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal controls over financial reporting or on compliance, that the report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. The 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.

Knox & Knox

Orrville Ohio
November 17, 2008

**VILLAGE OF CONGRESS
WAYNE 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**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
CASH RECEIPTS:				
Property and Other Local Taxes	\$14,815	\$314		\$15,129
Intergovernmental	8,159	2,883		11,042
Earnings on Investments		11		11
Total Cash Receipts	22,974	3,208		26,182
CASH DISBURSEMENTS				
Current:				
Security of Persons and Property	1,537			1,537
Public Health Services	1,195			1,195
Leisure Time Activities	468			468
Transportation		8,255		8,255
General Government	14,791			14,791
Debt Service:				
Redemption of Principal	1,922		\$156	2,078
Interest/Other Fiscal Charges	886			886
Total Cash Disbursements	20,799	8,255	156	29,210
Total Receipts Over/(Under) Disbursements)	2,175	(5,047)	(156)	(3,028)
OTHER FINANCING RECEIPTS/DISBURSEMENTS				
Advances In		2,700		2,700
Advances Out	(2,700)			(2,700)
Total Other Financing Receipts/Disbursements	(2,700)	2,700		
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(525)	(2,347)	(156)	(3,028)
Fund Cash Balances, January 1	2,986	4,452	182	7,620
FUND CASH BALANCES, DECEMBER 31	\$2,461	\$2,105	\$26	\$4,592

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

**VILLAGE OF CONGRESS
WAYNE 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**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
CASH RECEIPTS:				
Property and Other Local Taxes	\$18,787	\$1,042		\$19,829
Intergovernmental	7,520	3,441		10,961
Earnings on Investments	20			20
Miscellaneous	122			122
	<u>26,449</u>	<u>4,483</u>	<u></u>	<u>30,932</u>
CASH DISBURSEMENTS				
Current:				
Security of Persons and Property	1,627			1,627
Public Health Services	3,136			3,136
Leisure Time Activities	302			302
Basic Utility Services		2,252		2,252
Transportation		650		650
General Government	17,556			17,556
Capital Outlay			\$691	691
Debt Service:				
Redemption of Principal			1,176	1,176
Interest/Other Fiscal Charges				
	<u>22,621</u>	<u>2,902</u>	<u>1,867</u>	<u>27,390</u>
Total Receipts Over/(Under) Disbursements)	<u>3,828</u>	<u>1,581</u>	<u>(1,867)</u>	<u>3,542</u>
OTHER FINANCING RECEIPTS/DISBURSEMENTS				
Advances In			2,000	2,000
Advances Out	(2,000)			(2,000)
	<u>(2,000)</u>	<u></u>	<u>2,000</u>	<u></u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	1,828	1,581	133	3,542
Fund Cash Balances, January 1	<u>1,158</u>	<u>2,871</u>	<u>49</u>	<u>4,078</u>
FUND CASH BALANCES, DECEMBER 31	<u>\$2,986</u>	<u>\$4,452</u>	<u>\$182</u>	<u>\$7,620</u>

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

**VILLAGE OF CONGRESS
WAYNE 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 Village of Congress, Wayne County, (the Village) is a body of corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village is directed by a publicly-elected six-member Council and Mayor and an elected Clerk-Treasurer. The Village provides maintenance of Village streets and highways. Police services are contracted with the Wayne County Sheriff.

The Village's management believes these financial statements present all activities for which the Village 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 balance. 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 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 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 Village had the following significant Special Revenue Funds:

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

**VILLAGE OF CONGRESS
WAYNE COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. FUND ACCOUNTING (continued)

3. Capital Projects

These funds are used to accumulate resources for the payment of bonds and note indebtedness. The Village had the following significant Capital Project Fund.

Village Hall Improvement Fund- This fund is used for the construction of a municipal building.

E. BUDGETARY PROCESS

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the department, division, or office level of control, and within each, the amounts appropriated for personnel. The 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 commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated in the subsequent year.

A summary of 2007 and 2006 budgetary activity appears in Note 3.

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

**VILLAGE OF CONGRESS
WAYNE COUNTY**

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

2. EQUITY IN POOLED CASH

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

	<u>2007</u>	<u>2006</u>
Demand deposits	\$ 4,592	\$ 7,620

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, (2) collateralized by securities specifically pledged by the financial institution to the Village, or (3) by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2007 and 2006 follows:

Fund Type	2007 Budgeted vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General		\$22,974	\$22,974
Special Revenue		3,208	3,208
Capital Projects			
Total		\$26,182	\$26,182

Fund Type	2007 Budgeted vs Actual Budgetary Basis Expenditures		
	Appropriation Authority	Budgetary Expenditures	Variance
General	\$25,854	\$20,799	\$5,055
Special Revenue	10,000	8,255	1,745
Capital Projects	1,680	156	1,524
Total	\$37,534	\$29,210	\$8,324

Fund Type	2006 Budgeted vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General	\$26,245	\$26,449	\$204
Special Revenue	4,110	4,483	373
Capital Projects	1,950		(1,950)
Total	\$32,305	\$30,932	(\$1,373)

**VILLAGE OF CONGRESS
WAYNE COUNTY**

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

3. BUDGETARY ACTIVITY (continued)

Fund Type	2006 Budgeted vs Actual Budgetary Basis Expenditures		
	Appropriation Authority	Budgetary Expenditures	Variance
General	\$32,265	\$22,621	\$9,644
Special Revenue	3,711	2,902	809
Capital Projects	3,119	1,867	1,252
Total	\$39,095	\$27,390	\$11,705

Contrary to the Ohio Revised Code appropriations exceeded estimated resources in the General, Special Revenue, and the Capital Projects Fund Types in 2007.

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Village Council. 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 is due the following June 20.

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 SYSTEMS

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

Contribution rates are also prescribed by the Ohio Revised Code. For 2007 and 2006, members contributed 9.5% and 9.0% of their gross salaries, respectively. The Village contributed an amount equal to 13.85% (2007) and 13.7% (2006) of participants' gross salaries. The Village has paid all contributions required through December 31, 2007.

**VILLAGE OF CONGRESS
WAYNE COUNTY**

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

6. RISK MANAGEMENT

In 2007 and 2006 the Village has obtained commercial insurance for the following risks:

- Buildings and contents;
- Vehicles;
- Public officials' liability; and
- Inland marine.

7. DEBT OBLIGATIONS

At December 31, 2007 debt obligations consisted of the following issuance:

Balance at
December 31, 2007
\$19,310

Description

Bonds were issued for the purpose of acquiring and improving real estate, due in semi-annual installments over ten years, bearing interest of 4.75%.

The following is a summary of principal maturities plus interest:

<u>Year Ending December 31</u>	<u>Improvement Bonds</u>
2008	\$3,423
2009	3,423
2010	3,423
2011	3,423
2012	3,423
2013-2014	<u>5,634</u>
Total	<u><u>\$22,749</u></u>

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KNOX & KNOX

Accountants and Consultants

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

Village of Congress
Wayne County
216 Mill Street
West Salem, Ohio 44287

To the Village Council:

We have audited the accompanying financial statements of the Village of Congress, Wayne County, Ohio, (the Village) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated November 17, 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 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the Village's internal control over financial reporting as basis for designing our audit procedures in order to express our opinions 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.

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.

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 that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we noted other matters that we reported to the Village's management in a separate letter dated November 17, 2008.

COMPLIANCE AND OTHER MATTERS

As part of reasonably assuring whether the Village's basic 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 three instances of noncompliance we must report under *Government Auditing Standards* which are reported as Findings 2007-01, 2007-02, and 2007-03. However, we noted other matters that we reported to the Village in a separate letter dated November 17, 2008.

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

KNOX & KNOX

Orrville, Ohio
November 17, 2008

**VILLAGE OF CONGRESS
WAYNE COUNTY**

SCHEDULE OF FINDINGS
FOR THE YEARS ENDED 2007 AND 2006

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

FINDING NUMBER 2007-01

Material Weakness and Non-Compliance Citation

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

There are several exceptions to the standard requirement state 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" Certificates - If the fiscal officer can certify that both at the time 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 expenditure by the Village.

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 certificate 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.

During our testing, we noted nine non-payroll expenditures where the fiscal officer failed to certify the availability of funds.

**VILLAGE OF CONGRESS
WAYNE COUNTY**

SCHEDULE OF FINDINGS
FOR THE YEARS ENDED 2007 AND 2006

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

FINDING NUMBER 2007-01

Material Weakness and Non-Compliance Citation (continued)

In the future, the Village should make an effort to ensure that all disbursements of Village funds are accompanied by a purchase order dated before the invoice date in order to be in compliance with ORC 5705.41 (B) and (D).

Management Response: None

FINDING NUMBER 2007-02

Material Weakness and Non-Compliance Citation

Total Appropriations Exceeding Total Estimated Resources - Ohio Revised Code Section 5705.39 prohibits the village from making appropriations that exceed total estimated resources. The following funds were found to have appropriations in excess of estimated resources.

	2007		
Fund	Total Appropriations	Estimated Resources	Variance
General	\$25,854	\$2,986	(\$22,868)
Special Revenue	10,000	4,452	(5,548)
Capital Projects	1,680	182	(1,498)

Management Response: None

FINDING NUMBER 2007-03

Material Weakness and Non-Compliance Citation

Village Accounting System - Ohio Administrative Code Section 117-2-02(A) requires all local public officials to maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record, and report its transactions, maintain accountability for related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

Per Ohio Administrative Code Section 117-2-02(D), accounting records that can achieve these objectives include, in part:

- Appropriation ledger, which may assemble and classify disbursements or expenditures/expenses into separate accounts for, a minimum, each account listed in the appropriation resolution. The amount, fund, date, check number, purchase order number, encumbrance amount, unencumbered balance, amount of disbursement, uncommitted balance of appropriations and any other information required may be entered in the appropriate columns.

**VILLAGE OF CONGRESS
WAYNE COUNTY**

**SCHEDULE OF FINDINGS
FOR THE YEARS ENDED 2007 AND 2006**

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

FINDING NUMBER 2007-03

Material Weakness and Non-Compliance Citation (continued)

Village Accounting System

During 2007 and 2006, Village expenditures were not always posted into accurate classifications.

We recommend the Village utilize available authoritative resources such as the Village Officials Handbook or Uniform Accounting Network developed by the Auditor of State to appropriately classify and record expenditure transactions.

Management Response: None



Mary Taylor, CPA
Auditor of State

VILLAGE OF CONGRESS

WAYNE 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 17, 2009**