



Mary Taylor, CPA
Auditor of State

**COPLEY TOWNSHIP
SUMMIT COUNTY**

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Mary Taylor, CPA
Auditor of State

Copley Township
Summit County
1540 S. Cleveland-Massillon Rd.
Copley, Ohio 44321

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.

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

Mary Taylor, CPA
Auditor of State

May 7, 2010

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Copley Township
Summit County
1540 S. Cleveland-Massillon Rd.
Copley, Ohio 44321

To the Board of Trustees:

We have audited the accompanying financial statements of Copley Township, Summit County, Ohio, (the Township) as of and for the years ended December 31, 2009 and 2008. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in 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. The Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this Township, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Township 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 Township's larger (i.e. major) funds separately. While the Township 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 townships to reformat their statements. The Township 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, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Copley Township, Summit County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Township 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 May 7, 2010, 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 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

May 7, 2010

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Governmental Fund Types					Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Permanent	
Cash Receipts:						
Property and Other Local Taxes	\$973,165	\$6,795,882		\$202,917		\$7,971,964
Charges for Services		102,681				102,681
Licenses, Permits, and Fees	125,042	35,385				160,427
Fines and Forfeitures	13,168	2,007				15,175
Intergovernmental	1,676,820	1,107,742		66,270		2,850,832
Special Assessments		543	\$47,929			48,472
Earnings on Investments	21,758	1,858			\$45	23,661
Miscellaneous	9,369	104,466				113,835
Total Cash Receipts	2,819,322	8,150,564	47,929	269,187	45	11,287,047
Cash Disbursements:						
Current:						
General Government	1,371,209	42,075				1,413,284
Public Safety	255,669	5,940,396				6,196,065
Public Works		1,460,779				1,460,779
Health	172,836	41,672				214,508
Conservation - Recreation	67,638					67,638
Capital Outlay	544,363	299,654		23		844,040
Debt Service:						
Redemption of Principal			35,000			35,000
Interest and Other Fiscal Charges			13,440			13,440
Total Cash Disbursements	2,411,715	7,784,576	48,440	23	0	10,244,754
Total Cash Receipts Over/(Under) Cash Disbursements	407,607	365,988	(511)	269,164	45	1,042,293
Other Financing Receipts / (Disbursements):						
Transfers-In		20,000		3,500		23,500
Transfers-Out	(22,400)	(3,500)				(25,900)
Advance-In	5,500	21,000				26,500
Advance-Out	(21,000)	(5,500)				(26,500)
Total Other Financing Receipts / (Disbursements)	(37,900)	32,000	0	3,500	0	(2,400)
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	369,707	397,988	(511)	272,664	45	1,039,893
Fund Cash Balances, January 1	3,896,240	5,056,858	179,125	501,324	28,252	9,661,799
Fund Cash Balances, December 31	\$4,265,947	\$5,454,846	\$178,614	\$773,988	\$28,297	\$10,701,692
Reserve for Encumbrances, December 31	\$83,701	\$178,090	\$0	\$69,770	\$0	\$331,561

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

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2009**

Operating Cash Receipts:	
Licenses, Permits and Fees	\$35,800
Operating Cash Disbursements:	
Current:	
Purchased Services	3,393
Supplies and Materials	5,295
Other	36,400
Total Operating Cash Disbursements	45,088
Operating (Loss)	(9,288)
Non-Operating Receipts:	
Intergovernmental	13,788
Miscellaneous Receipts	1,377
Total Non-Operating Receipts	15,165
Excess of Receipts Over Disbursements Before Interfund Transfers	5,877
Transfers-In	2,400
Net Receipts Over Disbursements	8,277
Fund Cash Balances, January 1	39,504
Fund Cash Balances, December 31	\$47,781
Reserve for Encumbrances, December 31	\$6,994

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

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Governmental Fund Types					Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Permanent	
Cash Receipts:						
Property and Other Local Taxes	\$1,055,730	\$6,641,107		\$200,240		\$7,897,077
Charges for Services		105,172				105,172
Licenses, Permits, and Fees	117,255	37,234				154,489
Fines and Forfeitures	11,791	3,136				14,927
Intergovernmental	1,698,096	1,055,206				2,753,302
Special Assessments		553	\$50,386			50,939
Earnings on Investments	175,576	16,829			\$623	193,028
Miscellaneous	41,053	64,920				105,973
Total Cash Receipts	3,099,501	7,924,157	50,386	200,240	623	11,274,907
Cash Disbursements:						
Current:						
General Government	1,359,036	8,551				1,367,587
Public Safety	208,037	5,104,029				5,312,066
Public Works		1,952,014				1,952,014
Health	162,069	109,265				271,334
Conservation - Recreation	79,498					79,498
Capital Outlay	290,296	500,531		2,082		792,909
Debt Service:						
Redemption of Principal			35,000			35,000
Interest and Other Fiscal Charges			15,680			15,680
Total Cash Disbursements	2,098,936	7,674,390	50,680	2,082	0	9,826,088
Total Cash Receipts Over/(Under) Cash Disbursements	1,000,565	249,767	(294)	198,158	623	1,448,819
Other Financing Receipts / (Disbursements):						
Transfers-In		96,988				96,988
Transfers-Out	(17,679)	(79,309)				(96,988)
Advance-In	24,000	14,500				38,500
Advance-Out	(14,500)	(24,000)				(38,500)
Total Other Financing Receipts / (Disbursements)	(8,179)	8,179	0	0	0	0
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	992,386	257,946	(294)	198,158	623	1,448,819
Fund Cash Balances, January 1	2,903,854	4,798,912	179,419	303,166	27,629	8,212,980
Fund Cash Balances, December 31	\$3,896,240	\$5,056,858	\$179,125	\$501,324	\$28,252	\$9,661,799
Reserve for Encumbrances, December 31	\$403,011	\$373,323	\$0	\$0	\$0	\$776,334

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

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

Operating Cash Receipts:	
Licenses, Permits and Fees	\$27,210
	<hr/>
Operating Cash Disbursements:	
Current:	
Purchased Services	\$1,668
Other	44,420
	<hr/>
Total Operating Cash Disbursements	46,088
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Operating (Loss)	(18,878)
	<hr/>
Non-Operating Receipts:	
Miscellaneous Receipts	1,525
	<hr/>
Net Receipts (Under) Disbursements	(17,353)
	<hr/>
Fund Cash Balances, January 1	56,857
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Fund Cash Balances, December 31	\$39,504
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Reserve for Encumbrances, December 31	\$0
	<hr/> <hr/>

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

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

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 Copley Township, Summit County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, recycling services, and fire protection and emergency medical services.

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

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

C. Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

D. Fund Accounting

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

1. General Fund

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

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

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 Township had the following significant Special Revenue Funds:

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

Police District Fund - This fund receives property tax money to operate and maintain the Township Police Department.

Fire District Fund - This fund receives property tax money to operate and maintain the Township Fire Department.

3. Debt Service Funds

These funds account for resources the Township accumulates to pay bond and note debt. The Township had the following significant Debt Service Fund:

Bond Retirement Fund – This fund is used to accumulate resources for the principal and interest on the Township’s general obligation South Springside Road project debt.

4. Capital Project Funds

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Funds:

FEMA Grant Fund - The Township received a grant from the Federal Emergency Management Agency.

Sewer/Water Improvement Fund – The Township received JEDD income tax funds for sewer and water improvements.

5. Permanent Funds

These funds account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the Township’s programs. The Township had the following significant Permanent Fund:

Grace B. Mitchell Fund - This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Township’s cemetery.

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

6. Fiduciary Funds

Fiduciary funds include private purpose trust funds and agency funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Township's own programs.

Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Township disburses these funds as directed by the individual, organization or other government. The Township's agency fund accounts for monies collected for road and culvert deposit fees.

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve 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 Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2009 and 2008 budgetary activity appears in Note 3.

F. Property, Plant, and Equipment

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

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

2. Equity in Pooled Deposits and Investments

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

	2009	2008
Demand deposits	(\$282,273)	(\$296,847)
Savings deposits	1,253,449	1,249,898
Certificates of deposit	28,297	28,252
Total deposits	999,473	981,303
Repurchase agreements	9,750,000	8,720,000
Total deposits and investments	\$10,749,473	\$9,701,303

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institution's public entity deposit pool.

The Township's financial institution transfers securities to the Township's agent to collateralize repurchase agreements. The securities are not in the Township's name.

3. Budgetary Activity

Budgetary activity for the years ended December 31, 2009 and 2008 follows:

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,679,310	\$2,824,822	\$145,512
Special Revenue	8,401,581	8,191,564	(210,017)
Debt Service	50,000	47,929	(2,071)
Capital Projects	328,420	272,687	(55,733)
Permanent	50	45	(5)
Fiduciary	31,188	53,365	22,177
Total	\$11,490,549	\$11,390,412	(\$100,137)

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,081,587	\$2,538,816	\$542,771
Special Revenue	9,292,357	7,971,666	1,320,691
Debt Service	51,000	48,440	2,560
Capital Projects	636,777	69,793	566,984
Permanent	10,000		10,000
Fiduciary	34,387	52,082	(17,695)
Total	\$13,106,108	\$10,680,797	\$2,425,311

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

3. Budgetary Activity (Continued)

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,968,629	\$3,123,501	\$154,872
Special Revenue	8,036,692	8,035,645	(1,047)
Debt Service	50,000	50,386	386
Capital Projects	200,240	200,240	0
Permanent	850	623	(227)
Fiduciary	12,925	28,735	15,810
Total	\$11,269,336	\$11,439,130	\$169,794

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,758,912	\$2,534,126	\$224,786
Special Revenue	8,960,658	8,151,022	809,636
Debt Service	50,680	50,680	0
Capital Projects	310,258	2,082	308,176
Permanent	10,000		10,000
Fiduciary	30,000	46,088	(16,088)
Total	\$12,120,508	\$10,783,998	\$1,336,510

Actual receipts and budgetary expenditures above include audit adjustments.

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees 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.

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

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

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

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

5. Debt

Debt outstanding at December 31, 2009 was as follows:

	Principal	Interest Rate
Special Assessment Bonds, Series 1994	\$175,000	6.4%

The Township issued Special Assessment Bonds for street improvements. The Township's taxing authority collects assessments on those improved properties.

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

	Special Assessment Bonds
Year ending December 31:	
2010	\$46,200
2011	43,960
2012	41,720
2013	39,480
2014	37,240
Total	\$208,600

6. Retirement Systems

The Township's certified Fire Fighters belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OP&F participants contributed 10% of their wages. For 2009 and 2008, the Township contributed to OP&F an amount equal to 24% of full-time fire fighters' wages, respectively. For 2009 and 2008, OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2009.

**COPLEY TOWNSHIP
SUMMIT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

7. Risk Management

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles;
- Public Officials Liability; and
- Law Enforcement Liability

Settled claims have not exceeded this commercial coverage in any of the last three years. There have been no significant reductions in insurance coverage. All employees of the Township are covered by a blanket bond, while certain individuals in policy making roles are covered by separate higher bond coverage.

8. Contingent Liabilities

The Township is defendant in a lawsuit. Although management cannot presently determine the outcome of the suit, management believes that the resolution of this matter will not materially adversely affect the Township's financial condition.

Amounts grantor agencies pay to the township are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

9. Joint Venture

The Township is a member of a Joint Economic District with the City of Akron. The City of Akron provides water service to businesses within the JEDD while the JEDD is permitted to collect income tax on those businesses. At the same time, the JEDD prevents annexation of Township property by another city and maintains the Township's rural character and property tax base.

The Township jointly operates a fire station with Bath Township. The Township is responsible for 50% of payroll costs for the station.

The Township also operates a Joint Dispatch Pilot Program with the City of Norton. The Joint Dispatch program is designed to improve police and fire dispatch services while saving both communities money used for equipment, technology, and phone lines. The joint dispatch program will be governed by a Governing Committee composed of the Police Chief or designee, Fire Chief or designee, and City Administrator or designee, from each community. At least four members of the Governing Committee must agree to operational issues. The communities have agreed to share start up and recurring costs equally. Copley Township has agreed to provide certain costs for the pilot year; however, the amounts will be tracked for future cost-sharing. The Memorandum of Understanding outlines each community's participation and responsibilities, dated January 12, 2009 through January 11, 2010.

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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*

Copley Township
Summit County
1540 S. Cleveland-Massillon Rd.
Copley, Ohio 44321

To the Township Board of Trustees:

We have audited the financial statements of Copley Township, Summit County, Ohio, (the Township) as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated May 7, 2010 wherein we noted the Township followed accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We also noted the Township uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Township. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this Township, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. 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 Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining 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.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

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 audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated May 7, 2010.

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

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

Mary Taylor, CPA
Auditor of State

May 7, 2010



Mary Taylor, CPA
Auditor of State

COPLEY TOWNSHIP

SUMMIT 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
JULY 13, 2010**