



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

McComb Union Cemetery
Hancock County
5141 Township Road 79
Rawson, Ohio 45881

We have performed the procedures enumerated below, with which the Board of Trustees and the management of McComb Union Cemetery, Hancock County, Ohio (the Cemetery), agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2010 and 2009, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The Cemetery 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 provide attest services to the Cemetery because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to perform this engagement, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code § 117.11(A) mandates the Auditor of State to perform attest services for Ohio governments.

This report only describes exceptions exceeding \$10.

Cash

1. We tested the mathematical accuracy of the December 31, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning balance recorded in the Fund Status Report to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2010 and 2009 cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2010 bank account balance with the Cemetery's financial institution. We found no exceptions.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2010 bank reconciliation:

- a. We traced each debit to the subsequent January bank statement. We found no exceptions.
- b. We traced the amounts and dates written to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We agreed amounts paid from the Village of McComb during 2010, as documented per confirmation to the Cemetery Receipt Register Report. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper account code. There were \$15,000 in receipts posted to Charges for Services and \$9,000 posted to Miscellaneous Revenue which should have been posted to Intergovernmental account code. These errors do not affect the Financial Statements by fund and does not require correction by the Cemetery.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.
2. We agreed amounts paid from Pleasant Township during 2010, as documented per confirmation to the Cemetery Receipt Register Report. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper account code. There were \$15,000 in receipts posted to Charges for Services and \$9,000 posted to Miscellaneous Revenue which should have been posted to Intergovernmental account code. These errors do not affect the Financial Statements by fund and does not require correction by the Cemetery.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Sales of Lots and Charges for Services

We haphazardly selected 10 cash receipts for sales of lots or charges for services from the year ended December 31, 2010 and 10 cash receipts for sales of lots or charges for services from the year ended December 31, 2009 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Register Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper account codes, and was recorded in the proper year. There were 5 receipts during 2010 in the amount of \$2,400 posted to miscellaneous account code which should have been posted to sale of lots account code, and 5 receipts during 2010 in the amount of \$2,500 posted to license permits and fees account code which should have been posted to charges for services account code. There were 2 receipts during 2009 in the amount of \$1,200 posted to miscellaneous account code which should have been posted to sale of lots account code, and 8 receipts during 2009 in the amount of \$4,000 posted to license permits and fees account code which should have been posted to charges for services account code. However, because we did not test all receipts, our report provides no assurance regarding whether or not other similar errors occurred. These errors do not affect the Financial Statements by fund and does not require correction by the Cemetery.

Debt

1. The prior audit report disclosed no debt outstanding as of December 31, 2008.
2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2010 or 2009 or debt payment activity during 2010 or 2009. We noted no new debt issuances, nor any debt payment activity during 2010 or 2009.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for all employees from 2010 and one payroll check for all employees from 2009 from the Employee Detail Adjustment Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Employee Detail Adjustment Report to supporting documentation (legislatively-approved rate or salary). We found no exceptions.
 - b. We determined whether the account code to which the check was posted were reasonable based on the employees' duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2010 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2010. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare	January 31, 2011	December 31, 2010	\$126.48	\$126.48
State income taxes	January 15, 2011	December 31, 2010	\$4.98	\$4.98
Local income tax	January 31, 2011	December 31, 2010	\$7.80	\$7.80
OPERS retirement	January 30, 2011	December 31, 2010	\$62.40	\$62.40
School District	January 31, 2011	December 31, 2010	\$12.90	\$12.90

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2010 and ten from the year ended December 31, 2009 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.

- b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a proper account code. We found no exceptions.

Compliance – Contracts and Expenditures

We inquired of management and scanned the Payment Register Detail report for the years ended December 31, 2010 and 2009 for projects requiring the contractor to pay prevailing wages to their employees as required by Ohio Rev. Code Sections 4115.04 and 4115.05. We identified no projects subject to the aforementioned prevailing wage requirements.

Officials' Response:

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

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Cemetery's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the Cemetery, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

July 14, 2011



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MCCOMB UNION CEMETERY

HANCOCK 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 28, 2011**