



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Grove Cemetery Association  
Hardin County  
15443 SR 309  
Kenton, OH 43326

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Grove Cemetery Association, Hardin County (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, 2012 and 2011, 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 and Investments

1. We tested the mathematical accuracy of the December 31, 2012 and December 31, 2011 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2011 beginning balance recorded in the Fund Ledger Report to the December 31, 2010 balances in the prior year audited statements. The 2010-2009 audited financial statements showed a December 31, 2010 General Fund balance of \$202,963. The January 1, 2011 UAN Fund Ledger Report showed a General Fund balance of \$99,816.61, a Capital Projects Equipment Fund balance of \$20,211.97, a Capital Projects Building Fund balance of \$30,219.97, a Capital Projects Road and Water Fund balance of \$14,129.98, a Retirement Obligations Fund balance of \$33,329.95, and a Tree Replacement Fund balance of \$5,254.16. There was no evidence that the establishment of these funds was approved by the Trustees. In addition, these funds were not previously identified in the accounting records or compilations prepared by the Cemetery. To improve accountability and to limit the number of funds to only those necessary for the operations of the Cemetery, the Trustees should approve the establishment, purpose, fund type classification, and the method of funding if not from an outside source, for all new funds.

### **Cash and Investments (Continued)**

3. We agreed the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 cash balances reported in the Fund Status Reports. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2012 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2012 bank reconciliation:
  - a. We traced each debit to the financial institutions website. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.
6. We tested investments held at December 31, 2012 and December 31, 2011 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

### **Intergovernmental and Other Confirmable Cash Receipts**

1. We selected one intergovernmental receipt (property taxes and related reimbursements levied to support the Cemetery) from the City of Kenton, Pleasant Township, Goshen Township, and Buck Township for 2012 and one from 2011:
  - a. We traced the receipts from the Settlement Sheets to the amount recorded in the Receipt Register Report. The amounts agreed with one exception. In 2011, Goshen Township distributed \$20.29 of its own general fund tangible personal property tax to the Cemetery. The Cemetery should resolve this overpayment with Goshen Township.
  - b. We determined whether the receipts were allocated to the proper fund(s) as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. The receipts were recorded in the proper year.
2. We scanned the Receipt Register Report to determine whether it included at least four intergovernmental receipts (property taxes and related reimbursements) from the City of Kenton, Pleasant Township, Goshen Township, and Buck Township for 2012 and 2011. We noted the Receipts Register Report included the proper number of receipts for each year.

### **Sales of Lots**

We haphazardly selected 10 cash receipts for sales of lots from the year ended December 31, 2012 and 10 cash receipts for sales of lots from the year ended 2011 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 code, and was recorded in the proper year. We found no exceptions.

**Other Over-The-Counter Cash Receipts - Opening and Closing Fees**

We haphazardly selected 10 over-the-counter cash receipts from the year ended December 31, 2012 and 10 over-the-counter cash receipts from the year ended 2011 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 fund(s), and was recorded in the proper year. We found no exceptions.

**Debt**

- 1. The prior audit documentation disclosed no debt outstanding as of December 31, 2010.
- 2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011.

**Payroll Cash Disbursements**

- 1. We haphazardly selected one payroll check for five employees from 2012 and one payroll check for five employees from 2011 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 (timecard or 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 employees' personnel file. 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, 2012 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 2012. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare	January 31, 2013	December 31, 2012	\$4,269.47	\$4,269.47
State income taxes	January 15, 2013	January 9, 2013	\$ 258.73	\$ 258.73
Local income tax	February 28, 2013	January 9, 2013	\$ 631.64	\$ 631.64
OPERS retirement	January 30, 2013	December 31, 2012	\$2,524.99	\$2,524.99

**Non-Payroll Cash Disbursements**

- 1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2012 and ten from the year ended 2011 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 & Expenditures**

We inquired of management and scanned the Payment Register Detail report for the years ended December 31, 2012 and 2011 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.

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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

March 28, 2013



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**GROVE CEMETERY ASSOCIATION**

**HARDIN 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  
MAY 9, 2013**