



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Hollansburg Union Cemetery District
Darke County
250 North Main Street
Hollansburg, Ohio 45332

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Hollansburg Union Cemetery (the Cemetery) and the Auditor of State 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.

This report only describes exceptions exceeding \$10.

Cash

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 Cash Journal to the December 31, 2010 balances in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2012 beginning fund balances recorded in the Cash Journal to the December 31, 2011 balances in the Cash Journal. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 cash balances reported in the Cash Journal. The amounts agreed.
4. We confirmed the December 31, 2012 bank account balances with the Cemetery's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2012 bank reconciliation without exception.

Property Taxes and Intergovernmental Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2012 and one from 2011:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Ledger. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Receipts Ledger to determine whether it included two real estate tax receipts for 2012 and 2011. We noted the Receipts Ledger included the proper number of tax receipts for each year.
3. We selected all three receipts from the State Distribution Transaction Lists (DTL) from 2012 and all three from 2011:
 - a. We compared the amount from the above reports to the amount recorded in the Receipts Ledger. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper account code(s). We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Sales of Lots, Foundations and Internment Fees

We haphazardly selected all 5 cash receipts for sale of lots, all 7 cash receipts for foundations and 10 cash receipts for Internment fees from the year ended December 31, 2012 and all 4 cash receipts for foundations and all 9 cash receipts for Internment fees 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 Receipts Ledger. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found a single 2011 internment receipt that was charged at a rate different from those in force during 2011. The receipt was charged at \$550 for a weekend burial rather than \$600 that is listed on the fee schedule. The fiscal officer should review all receipts to verify that the proper rates have been charged and received. There were no other issued noted with tested receipts in 2011 or 2012.
- c. Receipt was posted to the proper account code(s), and was recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2010.
2. We inquired of management, and scanned the Receipt Ledger and Expenditure Ledger for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. We noted no new debt issuances, nor any 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 all four employees from 2011 from the Payroll Totals report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Totals Report to supporting documentation (timecard or legislatively-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll totals report. We found no exceptions.
 - c. We determined whether the account code(s) to which the check was posted were reasonable based on the employees' duties as documented in the employees' time sheets and minute record. We also determined whether the payment was posted to the proper year. We noted that two employees in 2012 were paid out of the miscellaneous code rather than the salary account code. The Cemetery fiscal officer should verify that all salary related expenditures are posted to a salary account code rather than a miscellaneous expenditure account code. We noted that all payments were made in the proper year.

2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files and minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Department and fund to which the check should be charged
 - d. Retirement system participation and payroll withholding
 - e. Federal, State & Local income tax withholding authorization and withholding
 - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above

3. 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:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare <u>(and social security, for employees not enrolled in pension system)</u>	January 31, 2013	January 12, 2013	\$631.95	\$631.95
State income taxes	January 15, 2013	December 15, 2012	\$16.79	\$ 16.79
OPERS retirement	January 30, 2013	December 17, 2012	\$72.80 – employee share \$101.92 – employer share \$174.72	\$174.72

Non-Payroll Cash Disbursements

1. From the Expenditure Ledger, we re-footed checks recorded as disbursements for *supplies* for 2012. We found no exceptions.

2. We haphazardly selected ten disbursements from the Expenditure Ledger for the year ended December 31, 2012 and ten from the year ended 2011 and determined whether:

Non-Payroll Cash Disbursements

- 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 Expenditure Ledger 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.
- d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. We compared the total estimated receipts from the Amended Official Certificate of Estimated Resources required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Receipt Ledger for the General fund for the years ended December 31, 2012 and 2011. The amounts on the *Certificate* did not agree to the amount recorded in the accounting system for the General Fund. The Revenue Ledger recorded budgeted (i.e. certified) receipts for the General fund of \$9,605 for 2012 and \$11,405 for 2011. However, the final *Amended Official Certificate of Estimated Resources* reflected \$5,350 for 2012 and \$5,440 for 2011. The fiscal officer should periodically compare amounts recorded in the Receipt Ledger to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Trustees may be using inaccurate information for budgeting and monitoring purposes.
2. We scanned the appropriation measures adopted for 2012 and 2011 to determine whether, for the General fund, the Trustees appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Expenditure Ledger for 2012 and 2011 for the general fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Expenditure Ledger.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General fund for the years ended December 31, 2012 and 2011. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2012 and 2011 for the General fund, as recorded in the Expenditure Ledger. We noted that expenditures did not exceed appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipts Ledger for evidence of new restricted receipts requiring a new fund during December 31, 2012 and 2011. We also inquired of management regarding whether the Cemetery received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Cemetery to establish a new fund.
7. We inquired of management and scanned the Cemetery’s Receipts and Expenditures Ledgers to determine whether the Cemetery elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Cemetery did not establish these reserves.

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 initial "D".

Dave Yost
Auditor of State

April 9, 2013

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HOLLANSBURG UNION CEMETERY DISTRICT

DARKE 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**