

Clay Township
Scioto County
Regular Audit
For the Years Ended December 31, 2013 and 2012



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Dave Yost • Auditor of State

Board of Trustees
Clay Township
1440 Normandy Drive
Portsmouth, Ohio 45662

We have reviewed the *Independent Auditor's Report* of Clay Township, Scioto County, prepared by Millhuff-Stang, CPA, Inc., for the audit period January 1, 2012 through December 31, 2013. 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.

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. Clay Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

June 13, 2014

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Clay Township
Scioto County
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For the Years Ended December 31, 2013 and 2012

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Independent Auditor's Report

Board of Trustees
Clay Township
Scioto County
1440 Normandy Drive
Portsmouth, Ohio 45662

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of Clay Township, Scioto County, (the Township) as of and for the years ended December 31, 2013 and 2012.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects of the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2013 and 2012, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Clay Township, Scioto County, as of December 31, 2013 and 2012, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2014, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Natalie Millhuff-Stang, CPA
President/Owner
Millhuff-Stang, CPA, Inc.

April 10, 2014

Clay Township
Scioto County
Combined Statement of Cash Receipts, Cash Disbursements and
Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2013

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash Receipts:				
Property and Other Local Taxes	\$142,770	\$639,122	\$0	\$781,892
Charges for Services	0	39,643	0	39,643
Licenses, Permits, and Fees	24,976	6,650	0	31,626
Intergovernmental	55,096	243,036	0	298,132
Earnings on Investments	1,703	227	0	1,930
Miscellaneous	9,168	38,577	0	47,745
Total Cash Receipts	233,713	967,255	0	1,200,968
Cash Disbursements:				
Current:				
General Government	182,698	0	0	182,698
Public Safety	0	380,036	0	380,036
Public Works	0	412,047	0	412,047
Health	36,935	10,264	0	47,199
Conservation/Recreation	15,302	0	0	15,302
Capital Outlay	0	74,657	396,212	470,869
Debt Service:				
Interest and Other Fiscal Charges	0	5,017	0	5,017
Total Cash Disbursements	234,935	882,021	396,212	1,513,168
Total Cash Receipts Over (Under) Cash Disbursements	(1,222)	85,234	(396,212)	(312,200)
Other Financing Receipts:				
Sale of Bonds	0	0	500,000	500,000
Total Other Financing Receipts	0	0	500,000	500,000
Excess of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements	(1,222)	85,234	103,788	187,800
Fund Cash Balances, January 1	30,642	528,587	0	559,229
Restricted for:				
Motor Vehicle License Tax	0	36,543	0	36,543
Gasoline Tax	0	31,633	0	31,633
Road and Bridge	0	150,292	0	150,292
Cemetery	0	4,358	0	4,358
Police	0	89,447	0	89,447
Fire	0	199,192	0	199,192
Ambulance and EMS	0	102,356	0	102,356
Capital Projects	0	0	103,788	103,788
Unassigned	29,420	0	0	29,420
Fund Cash Balances, December 31	\$29,420	\$613,821	\$103,788	\$747,029

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

Clay Township
Scioto County
Combined Statement of Cash Receipts, Cash Disbursements and
Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2012

	Governmental Fund Types		Totals (Memorandum Only)
	General	Special Revenue	
Cash Receipts:			
Property and Other Local Taxes	\$141,998	\$630,454	\$772,452
Charges for Services	0	57,434	57,434
Licenses, Permits, and Fees	50,341	8,875	59,216
Intergovernmental	43,293	228,664	271,957
Earnings on Investments	1,083	217	1,300
Miscellaneous	4,562	38,429	42,991
Total Cash Receipts	241,277	964,073	1,205,350
Cash Disbursements:			
Current:			
General Government	184,182	0	184,182
Public Safety	0	401,074	401,074
Public Works	0	388,479	388,479
Health	37,693	5,303	42,996
Conservation/Recreation	22,692	0	22,692
Capital Outlay	0	14,896	14,896
Debt Service:			
Redemption of Principal	0	38,028	38,028
Interest and Other Fiscal Charges	0	14,516	14,516
Total Cash Disbursements	244,567	862,296	1,106,863
Total Cash Receipts Over (Under) Cash Disbursements	(3,290)	101,777	98,487
Fund Cash Balances, January 1	33,932	426,810	460,742
Restricted for:			
Motor Vehicle License Tax	0	28,091	28,091
Gasoline Tax	0	60,418	60,418
Road and Bridge	0	147,336	147,336
Cemetery	0	6,772	6,772
Police	0	74,367	74,367
Fire	0	110,103	110,103
Ambulance and EMS	0	101,500	101,500
Unassigned	30,642	0	30,642
Fund Cash Balances, December 31	\$30,642	\$528,587	\$559,229

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

Clay Township
Scioto County
Notes to the Financial Statements
For the Years Ended December 31, 2013 and 2012

Note 1 – Summary of Significant Accounting Policies

Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Clay Township, Scioto County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides general road and bridge services, including road and bridge maintenance, cemetery maintenance, and emergency medical services and fire protection. The Township contracts with the Scioto County Sheriff's Department to provide police protection.

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

Basis of Accounting

These financial statements follow the accounting basis the Auditor of State of Ohio 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.

Cash

The Township maintains its cash pool in an interest-bearing checking account with a local commercial bank.

Fund Accounting

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

General Fund

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

Special Revenue Funds

These funds account for proceeds from specific sources (other than those 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 monies and homestead and rollback monies for constructing, maintaining, and repairing Township roads and bridges.

Police District Fund – This fund receives property tax monies and homestead and rollback monies for the purpose of contracting with the Scioto County Sheriff's Department for police protection for the residents of the Township.

Clay Township
Scioto County
Notes to the Financial Statements
For the Years Ended December 31, 2013 and 2012

Note 1 – Summary of Significant Accounting Policies (Continued)

Fire District Fund – This fund receives property tax monies and homestead and rollback monies for the purchase of fire equipment and to provide fire protection to residents of the Township.

Ambulance Fund – This fund receives property tax monies, homestead and rollback monies, and charges for services for the purchase of ambulance equipment and to provide emergency medical services to residents of the Township.

Capital Project Funds

These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township had the following capital project fund:

Miscellaneous Capital Projects Fund - The Township received bond proceeds for the acquisition and/or construction of a new administrative building. This fund accounts for the receipt and use of those proceeds.

Budgetary Process

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

Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object 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.

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

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 re-appropriated in the subsequent year.

A summary of the 2013 and 2012 budgetary activity appears in Note 3.

Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Clay Township
Scioto County
Notes to the Financial Statements
For the Years Ended December 31, 2013 and 2012

Note 1 – Summary of Significant Accounting Policies (Continued)

Nonspendable – The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted – Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed – Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned – Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the General Fund report all fund balances as *assigned* unless they are restricted or committed. In the General Fund, *assigned* amounts represent intended uses established by the Township Trustees or a Township official delegated that authority by resolution, or by State statute.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

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.

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.

Note 2 – Equity in Pooled Cash

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

	2013	2012
Demand Deposits	\$747,029	\$559,229

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

Clay Township
Scioto County
Notes to the Financial Statements
For the Years Ended December 31, 2013 and 2012

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2013 follows:

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$201,717	\$233,713	\$31,996
Special Revenue	904,750	967,255	62,505
Capital Projects	500,000	500,000	0
Total	\$1,606,467	\$1,700,968	\$94,501

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$232,845	\$234,935	(\$2,090)
Special Revenue	1,221,537	882,021	339,516
Capital Projects	500,000	396,212	103,788
Total	\$1,954,382	\$1,513,168	\$441,214

Budgetary activity for the year ending December 31, 2012 follows:

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$240,413	\$241,277	\$864
Special Revenue	975,449	964,073	(11,376)
Total	\$1,215,862	\$1,205,350	(\$10,512)

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$265,300	\$244,567	\$20,733
Special Revenue	1,395,112	862,296	532,816
Total	\$1,660,412	\$1,106,863	\$553,549

Note 4 – Property Taxes

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.

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

Clay Township
Scioto County
Notes to the Financial Statements
For the Years Ended December 31, 2013 and 2012

Note 5 – Debt Obligations

Debt obligations outstanding at December 31, 2013 were as follows:

	Principal	Interest Rate
Fire Truck Lease	\$113,415	5.11%
Building Acquisition Bonds	500,000	2.80%
Total	\$613,415	

The Township entered into a lease/purchase agreement with Republic First National Corporation on January 9, 2007 for the lease of a fire truck. The Township is scheduled to make annual payments in the amount of \$26,272, which includes interest, through March 1, 2018 at which time the Township will own the fire truck.

The Township issued a \$500,000 building acquisition general obligation bond on July 22, 2013 for the purpose of acquiring and constructing an administrative building. The Township is scheduled to make annual principal and semi-annual interest payments commencing December 1, 2013. This bond carries an interest rate of 2.80% and has a final maturity date of June 1, 2023, which will be a balloon payment of the remaining principal balance as of that date.

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

Year ending December 31:	Building Acquisition Bonds			Fire Truck Lease		
	Principal	Interest	Total	Principal	Interest	Total
2014	\$27,280	\$13,618	\$40,898	\$20,482	\$5,790	\$26,272
2015	28,044	12,844	40,888	21,528	4,744	26,272
2016	28,829	12,047	40,876	22,627	3,645	26,272
2017	29,636	11,229	40,865	23,782	2,490	26,272
2018	30,466	10,387	40,853	24,996	1,276	26,272
2019-2023	355,745	35,806	391,551	0	0	0
Total	\$500,000	\$95,931	\$595,931	\$113,415	\$17,945	\$131,360

Note 7 – Retirement System

The Township's employees and officials belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which includes postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2013 and 2012, OPERS members contributed 10% of their gross salaries, with the Township contributing an amount equal to 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2013.

Clay Township
Scioto County
Notes to the Financial Statements
For the Years Ended December 31, 2013 and 2012

Note 8 – Risk Management

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

The Township also provides health coverage to elected officials and full time employees through a private carrier.

Note 9 – Contingent Liabilities

Amounts grantor agencies pay to the Township are subject to audit and adjustments 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.

Note 10 – Lodging Excise Tax

The Township has assessed a lodging excise tax for all hotels/motels within the Township. The assessed tax rate as adopted by the Board of Trustees is four percent of gross lodging revenue for the month. The taxes are due on or before the fifteenth day of each month for the previous month's lodging revenue.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Board of Trustees
Clay Township
Scioto County
1440 Normandy Drive
Portsmouth, Ohio 45662

We have audited in accordance with the 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, the financial statements of Clay Township, Scioto County (the Township) as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements and have issued our report thereon dated April 10, 2014, wherein we noted the Township followed the accounting basis the Auditor of State prescribes or permits, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2013-1 and 2013-3 to be material weaknesses.

Clay Township
Scioto County

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Page 2

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses as item 2013-2 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on 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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Township's Responses to Findings

The Township's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Township's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Natalie Millhuff-Stang, CPA
President/Owner
Millhuff-Stang, CPA, Inc.

April 10, 2014

Clay Township
Scioto County
Schedule of Findings and Responses
For the Years Ended December 31, 2013 and 2012

Findings Related to the Financial Statements Required to be Reported in Accordance With GAGAS

Finding Number 2013-1

Material Weakness – Financial Reporting

A monitoring system by the Township should be in place to prevent or detect misstatements for the accurate presentation of the Township's financial statements. The Township misclassified and misposted various transactions in 2012 and 2013. These errors were corrected in the accompanying financial statements. The Township should implement additional monitoring procedures over financial reporting to ensure the accuracy and completeness of the financial statements.

Client Response:

The Township chose not to respond.

Finding Number 2013-2

Significant Deficiency – EMS Billings

Having sound internal controls over the processing of revenue transactions is a necessary aspect of the control environment to assure that revenues are being recorded accurately and completely. During testing of revenues generated by EMS runs, it was noted that there are not sufficient controls in place for the monitoring of revenues generated by the EMS. The Township outsources its billing to an independent contractor. The squad chief faxes the run sheets directly to the independent contractor who files claims with insurance companies. The insurance company pays the Township via EFT or by check. However, not all runs reported by the EMS are billed by the contractor as he considers some of those claims to be unbillable. There is not a policy in place by the Township to approve what runs are billable or unbillable or to authorize the service provider to make such determinations. Also, the Township does not have controls in place to ensure that the amounts billed and the amounts received are correct. Lack of controls could adversely affect the Township's ability to maximize its revenue collection potential. The Township should implement controls to monitor the revenues generated by EMS to ensure the revenues billed and received are accurate and complete.

Client Response:

The Township chose not to respond.

Finding Number 2013-3

Material Weakness – Budgetary Information Within UAN

Accurate budgetary information within the organization's accounting system is pertinent to ensure that the Township has accurate and complete information for decision-making processes. Budgetary items were entered into the accounting system that did not agree to the budgetary information approved to the County Auditor as 2013 estimated resources. The Township should implement the appropriate procedures to ensure that all authorized budgetary amendments are properly documented and reconciled periodically to ensure that budgetary information disclosed in the financial records are adequately supported and properly authorized.

Client Response:

The Township chose not to respond.

**Clay Township
Scioto County**

*Schedule of Prior Audit Findings
For the Years Ended December 31, 2013 and 2012*

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2011-001	Material Weakness – Financial Reporting	No	Reissued as Finding 2013-1
2011-002	Material Noncompliance – ORC 5705.41(B) – Expenditures in Excess of Appropriations	No	Partially Corrected – Reissued in Management Letter
2011-003	Significant Deficiency – EMS Billings	No	Reissued as Finding 2013-2
2011-004	Material Weakness – Pool Operations	Yes	Finding No Longer Valid
2011-005	Material Noncompliance – ORC 5705.38(A) – Filing of Appropriations Measures	Yes	



Dave Yost • Auditor of State

CLAY TOWNSHIP

SCIOTO 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
JUNE 26, 2014**