



Dave Yost • Auditor of State

**GREEN TOWNSHIP
MONROE COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Green Township
Monroe County
P.O. Box 14
Laings, Ohio 43752

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Green Township, Monroe County, Ohio (the Township), 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, 2013 and 2012, 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, 2013 and December 31, 2012 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2012 beginning fund balances recorded in the Fund Status Report to the December 31, 2011 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2013 beginning fund balances recorded in the Fund Status Report to the December 31, 2012 balances in the Fund Status Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2013 and 2012 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2013 bank account balance with the Township's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2013 bank reconciliation without exception.
5. We selected five outstanding checks haphazardly from the December 31, 2013 bank reconciliation:
 - a. We traced each outstanding check to the subsequent January and February bank statements. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the outstanding checks were dated prior to December 31. We noted no exceptions.

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Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2013 and one from 2012:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Register Report for 2012 and Receipt Listing Report for 2013. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper funds as required by Ohio Rev. Code § 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 Receipt Listing Report for 2013 and Receipt Register Report for 2012 to determine whether it included two real estate tax receipts for 2013 and 2012. We noted the Receipt Listing Report for 2013 and Receipt Register Report for 2012 included the proper number of tax receipts for each year.
3. We selected all three receipts from the State Distribution Transaction Lists (DTL) from 2013 and five from 2012. We also selected five receipts from the County Auditor's Appropriation History Report from 2013 and five from 2012.
 - a. We compared the amount from the above reports to the amount recorded in the Receipt Listing Report for 2013 and Receipt Register Report for 2012. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
4. We confirmed the amounts paid from the USDA Rural Development and Eclipse Resources to the Township during 2012 with the USDA and Eclipse Resources. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We determined whether the receipts were 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, 2011.
2. We inquired of management, and scanned the Receipt Listing Report and Payment Listing Report for 2013 and the Receipt Register Report and Payment Register Detail Report for 2012 for evidence of debt issued during 2013 or 2012 or debt payment activity during 2013 or 2012. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of loan debt activity for 2013 and 2012 and agreed principal and interest payments from the related debt amortization schedule to the Truck Fund payment reported in the Payment Listing Report for 2013 and the Gasoline Tax Fund payment reported in the Payment Register Detail Report for 2012. We also compared the date the debt service payments were due to the date the Township made the payments. We noted the Township made an additional principal payment from the General Fund as reported in the Payment Listing Report for 2013.

Debt (Continued)

4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Gasoline Tax Fund per the Receipt Register Report. The amounts agreed.
5. For new debt issued during 2012, we inspected the debt legislation, noting the Township must use the proceeds to purchase a backhoe and a truck. We scanned the Payment Detail Register Report and noted the Township purchased a backhoe and a truck in November of 2012.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2013 from the Wage Detail Report and one payroll check for five employees from 2012 from the Employee Detail Adjustment Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report and Employee Detail Adjustment Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We determined whether the funds and account codes to which the check was posted were reasonable based on the employees' duties as documented in the minute record or as required by statute. 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, 2013 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 2013. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	1/31/14	12/29/13	\$227.06	\$227.06
State income taxes	1/15/14	12/29/13	\$98.11	\$98.11
OPERS retirement	1/30/14	12/29/13	\$658.39	\$658.39

3. For the pay periods ended March 31, 2013 and August 31, 2012, we recomputed the allocation of the Boards' salaries to the Gasoline Tax Fund per the Wage Detail Report for 2013 and the Employee Detail Adjustment Report for 2012. We found no exceptions.
4. For the pay periods described in the preceding step, we traced the Boards salary for time or services performed to supporting certifications the Revised Code requires. We found no exceptions.

Non-Payroll Cash Disbursements

- We haphazardly selected ten disbursements from the Payment Listing Report for the year ended 2013 and ten from the Payment Register Detail Report for the year ended 2012 and determined whether:
- a. The disbursements were for a proper public purpose. We found no exceptions.

Non-Payroll Cash Disbursements (Continued)

- 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 Listing Report for 2013 and Payment Register Detail Report for 2012 and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. 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 § 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 § 5705.36(A)(1), to the amounts recorded in the Resources Available for Appropriation Report for 2013 and the Revenue Status Report for 2012 for the General, Motor Vehicle License Tax and Gasoline Tax Funds for the years ended December 31, 2013 and 2012. The amounts agreed.
2. We scanned the appropriation measures adopted for 2013 and 2012 to determine whether, for the General, Motor Vehicle License Tax and Gasoline Tax Funds, 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 §§ 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2013 and 2012 for the following funds: General, Motor Vehicle License Tax and Gasoline Tax Funds. We noted three exceptions where the Appropriation Resolutions did not agree to the amounts recorded in the Appropriation Status Report. For 2013, the Appropriation Status Report recorded appropriations for the General and Gasoline Tax Funds as \$39,532 and \$117,979, respectively. However, the Appropriation Resolution reflected \$37,986 and \$117,453 for these funds, respectively. For 2012, the Appropriation Status Report recorded appropriations for the Gasoline Tax Fund as \$230,201. However, the Appropriation Resolution reflected \$121,064. The Township Fiscal Officer should periodically compare amounts recorded in the Appropriation Status Report to amounts approved by the Trustees in the Appropriation Resolution, plus any appropriation amendments, to assure they agree. If the amounts do not agree, the Trustees may be using inaccurate information for budgeting and monitoring purposes.
4. Ohio Rev. Code §§ 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, Motor Vehicle License Tax and Gasoline Tax Funds for the years ended December 31, 2013 and 2012. We noted no funds for which appropriations exceeded certified resources.

Compliance – Budgetary (Continued)

5. Ohio Rev. Code § 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, 2013 and 2012 for the General, Motor Vehicle License Tax and Gasoline Tax Funds, as recorded in the Appropriation Status Report. We noted that Gasoline Tax Fund expenditures for 2012 exceeded total appropriations by \$67,686, contrary to Ohio Rev. Code § 5705.41(B). The Township Fiscal Officer should not certify the availability of funds and should deny payment requests exceeding appropriations. The Township Fiscal Officer may request the Trustees to approve increased expenditure levels by increasing appropriations and amending estimated resources, if necessary, and if resources are available.
6. Ohio Rev. Code § 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipt Listing Report for 2013 and Receipt Register Report for 2012 for evidence of new restricted receipts requiring a new fund during December 31, 2013 and 2012. We also inquired of management regarding whether the Township received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code § 5705.09 would require the Township to establish a new fund.
7. We scanned the 2013 and 2012 Revenue Status Reports and Appropriation Status Reports for evidence of interfund transfers which Ohio Rev. Code §§ 5705.14 - .16 restrict. We found no evidence of transfers these §§ prohibit, or for which § 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Appropriation Status Reports to determine whether the Township elected to establish reserve accounts permitted by Ohio Rev. Code § 5705.13. We noted the Township did not establish these reserves.

Compliance – Contracts & Expenditures

We inquired of management and scanned the Payment Listing Report and Payment Register Detail Report for the years ended December 31, 2013 and 2012, respectively, to determine if the Township proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project \$15,000-\$45,000) or to construct or reconstruct township roads (cost of project \$5,000-\$15,000/per mile) for which Ohio Rev. Code § 5575.01 requires the county engineer to complete a force account project assessment form (i.e., cost estimate). We identified no projects requiring the county engineer to complete a force account cost estimate.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Township'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 Township, 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

Columbus, Ohio

June 5, 2014



Dave Yost • Auditor of State

GREEN TOWNSHIP

MONROE 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 24, 2014**