



Dave Yost • Auditor of State

Declaration of Fiscal Caution

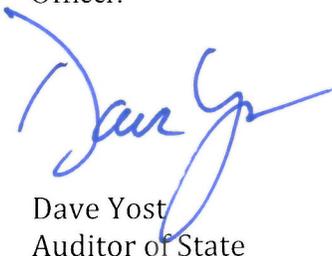
Pursuant to Section 118.025(A), Revised Code, the Auditor of State developed guidelines for identifying fiscal practices and budgetary conditions that, if uncorrected, could result in a future declaration of a fiscal watch or fiscal emergency of a municipal corporation, county, or township. If the Auditor of State determines that a municipal corporation, county, or township is engaging in any of those practices or that any of those conditions exist, the Auditor of State may declare a municipal corporation, county, or township to be in a state of Fiscal Caution.

The Auditor of State's guidelines for a declaration of fiscal caution include (1) unauditible financial records; (2) significant deficiencies, material weaknesses, direct and material noncompliance that have a material effect on the financial condition; (3) deficit fund balances; (4) a carryover fund balance of less than one month's average expenditures for two consecutive years, and (5) a failure to reconcile accounting journals and ledgers with the treasury.

Based on a review of Rush Township's (Scioto County) financial records on June 24, 2014 Rush Township met the following fiscal caution conditions:

1. Significant deficiencies, material weaknesses and direct and material noncompliance with Ohio law as disclosed in the Rush Township 2010-2011 financial audit including the Township erroneously posted various receipts and disbursements to incorrect accounts and funds, negative cash fund balance, failure to pass its appropriation measures on or about the first of the year, expenditures in excess of appropriations, and the Township did not properly encumber funds prior to commitment.
2. The Township has not reconciled its account journals and ledgers with the bank. The last reconciliation was March 31, 2012 (27 months).

Accordingly, the Auditor of State hereby declares Rush Township to be in a state of Fiscal Caution under Section 118.025(A) of the Ohio Revised Code. A copy of this declaration is being submitted to Donald Sargent, Phil LaJoye, Tim Knittel, Rush Township Board of Trustees and Jill Springs, Fiscal Officer.



Dave Yost
Auditor of State

July 22, 2014