



Dave Yost • Auditor of State



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Salem Township Union Cemetery
Tuscarawas County
12371 SR 36 SW
Port Washington, Ohio 43837

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Salem Township Union Cemetery, Tuscarawas County, (the Cemetery), for the years ended December 31, 2013 and 2012.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Cemetery's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Cemetery's financial statements, transactions or balances for the years ended December 31, 2013 or 2012.

The Cemetery's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Current Year Observations

1. We noted the December 31, 2013 year end Fund Statement only included the activity and balances of the General Fund. The Cemetery also has one fiduciary fund. This fiduciary fund was identified as a nonexpendable trust fund. The nonexpendable trust fund cash balance totaled \$2,400 and was invested in one certificate of deposit. While the Cemetery tracks the balance and activity of this nonexpendable trust fund, the financial information was not reported on the annual Fund Statement. As a result, the financial statement was not complete. The Cemetery should review their year end Fund Statement and ensure the activity of all funds, including nonexpendable trust funds, are properly classified and reported. This will help ensure the financial activity reported is accurate and complete.
2. The Cemetery's small size requires governing board involvement with critical accounting processes (such as the review and approval of all revenue and disbursements) to compensate for the inability to segregate the duties of the accounting function. Currently, the Board of Trustees review and approve financial information at year end. The absence of a timely review (monthly) may be a significant deficiency in internal accounting control which could possibly result in inaccurate cash balances or even undetected theft. The Cemetery Fiscal Officer should submit monthly cashbook and bank to book reconciliations to the Board of Trustees for review and approval. This will help allow the Trustees timely review financial information and compensate for the lack of segregation of duties within the accounting function.

3. The Cemetery withholds the employee and employer portion of Medicare from employees pay. While the aggregate amount paid to the IRS was correct, the Cemetery incorrectly withheld the employer portion of Medicare from their employees leading them to be underpaid. The Cemetery should review Medicare withholdings to help ensure only the employer portion is withheld from their employees.

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

Columbus, Ohio

July 31, 2014



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SALEM TOWNSHIP UNION CEMETERY

TUSCARAWAS 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
AUGUST 12, 2014**