



Dave Yost • Auditor of State



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Village of Glenmont
Holmes County
P.O. Box 476
Glenmont, Ohio 44628

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Village of Glenmont, Holmes County, Ohio, (the Township) 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 Village's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village's financial statements, transactions or balances for the years ended December 31, 2013 or 2012.

The Village'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. The Village did not properly update balances for outstanding Certificates of Deposit within the QuickBooks accounting system. Actual Certificate of Deposit balances exceeded recorded balances by \$3,839. Furthermore, the QuickBooks accounting system does not include Certificates of Deposit in the month end cash balance but includes the balance as assets. Therefore, the Certificate of Deposits are not included in the Village's month-end cash reconciliation.

In addition, the Village showed a deposit in transit of \$398 as of December 31, 2013 and 2012. However, the 2011 audit indicated this should not be a deposit in transit as it relates to a refund and an adjustment was proposed for the Village to adjust their books and remove this amount as a deposit in transit.

Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. The Village should ensure all Certificates of Deposit are properly recorded within the QuickBooks accounting system. Furthermore, the Village should also include the Certificates of Deposit in the month-end cash reconciliations. In addition, the Village should adjust their books to account for the \$398 and remove the amount from the reconciliation. Our prior audit also reported this deficiency.

2. The Village utilizes the QuickBooks accounting system for Water Utility Charges for Services. However, the QuickBooks system does not provide the Village with a Delinquent Billing Report or a Non-cash Adjustment Report.

Use and review of these reports is a critical procedure in assuring all transactions are correctly posted and ensuring the revenue account balance is accurately presented. The Fiscal Officer should maintain a list of delinquent accounts and any non-cash adjustments made to the accounting system.

Current Status of Matters We Reported in Our Prior Engagement

1. In our prior audit we reported material noncompliance with Ohio Rev. Code § 5705.41(D) regarding certification of expenditures. We reviewed the 2013 and 2012 expenditure packets noting it appears the Fiscal Officer is now correctly utilizing purchase orders;
2. Material noncompliance was reported for Ohio Rev. Code § 5705.38 regarding adoption of the permanent appropriation resolution by April 1. We reviewed the 2013 and 2012 minutes noting appropriations were approved;
3. Material noncompliance was reported for Ohio Rev. Code § 5705.41(B) regarding expenditures exceeding appropriations as a result of the Village not formally approving appropriations. We reviewed the 2013 and 2012 minutes noting appropriations were approved. Furthermore, we compared appropriations to disbursements for the General Fund in 2013 noting no exceptions;
4. Material weakness was reported regarding various issues as noted above under current year observations number 1;
5. Material weakness was reported regarding issues with transaction postings in Quickbooks where the transaction would be entered in one fund, but it would affect the fund balance of a different fund. We scanned the 2013 and 2012 revenue and expense postings noting it appears transactions were materially posted to the correct line items;
6. Material weakness was reported regarding financial reporting as a result of two receipts not being posted to Quickbooks. We scanned the 2013 and 2012 revenue and expense postings noting it appears transactions were materially posted to the correct line items.



Dave Yost
Auditor of State
Columbus, Ohio

August 13, 2014



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VILLAGE OF GLENMONT

HOLMES 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
SEPTEMBER 16, 2014**