



Dave Yost • Auditor of State





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Mt. Carmel Joint Cemetery  
Champaign County  
1458 Kennard Kingscreek Road  
Urbana, Ohio 43078

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Mt. Carmel Joint Cemetery, Champaign County, (the Cemetery) for the years ended December 31, 2014 and 2013.

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, 2014 or 2013.

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 scanned payroll transactions for the years ended December 31, 2014 and 2013. We determined federal, state, and Medicare taxes were not withheld. **26 U.S.C. §3402** states every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary of Treasury.

In addition, **Ohio Rev. Code §5747.06** states every employer maintaining an office or transacting business within this state and making payment of any compensation to an employee who is a taxpayer shall deduct and withhold from such compensation for each payroll period a reasonable estimate of the amount of state and school district income tax which will be due.

Additionally, **26 U.S.C. §3102** requires the deduction of Medicare tax from wages of employees hired on or after April 1, 1986.

The Cemetery did not withhold federal, state, or Medicare tax for employees during 2013 and 2014; however the Cemetery did withhold school district taxes and retirement in some instances. Due to the limited wages employees received, other withholdings may not have been required. To comply with the above mentioned codes, the Cemetery should implement procedures to determine and document if withholdings are necessary for all employees based on pay rates. The Cemetery should also contact the appropriate agencies to determine if prior amounts should be remitted. Our prior audit also reported this noncompliance.

**Current Status of Matters we Reported in our Prior Engagement**

2. In addition to the noncompliance matter reported in item #1 above, our prior audit for the years ended December 31, 2012 and 2011 reported that the Cemetery did not have bank reconciliation reports available. The Cemetery maintained bank reconciliations for 2013 and 2014.
3. Additionally, our prior audit for the years ended December 31, 2012 and 2011 included noncompliance with **Ohio Admin. Code §117-2-02(D) and (E)**, which requires all local public offices to maintain accounting records in a manual or computerized format. The Cemetery maintained all required accounting records for 2013 and 2014.
4. Furthermore, our prior audit for the years ended December 31, 2012 and 2011 included noncompliance with **Ohio Rev. Code §117.38**, which requires cash-basis entities to file annual reports with the Auditor of State within 60 days of the fiscal year-end. The Cemetery filed the 2013 and 2014 annual reports with the Auditor of State on July 20, 2015, which was not within the required timeframe. The Cemetery should implement procedures to prepare and submit the annual reports to the Auditor of State within 60 days of year-end and place a notice in the local newspaper that the financial report is available for public inspection.



**Dave Yost**  
Auditor of State

July 29, 2015



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**MT CARMEL JOINT CEMETERY**

**CHAMPAIGN 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 11, 2015**