



Dave Yost • Auditor of State

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Springfield Township
Jefferson County
722 Monroe St
Bergholz, Ohio 43908

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of Springfield Township, Jefferson County (the Township) as of and for the years ended December 31, 2015 and 2014.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principlesⁱ

As described in Note 1 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Township does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2015 and 2014, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Springfield Township, Jefferson County as of December 31, 2015 and 2014, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2016, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

May 19, 2016

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2015**

| | General | Special Revenue | Permanent | Totals (Memorandum Only) |
|--|------------------|--------------------|--------------|--------------------------------|
| Cash Receipts | | | | |
| Property and Other Local Taxes | \$8,406 | \$140,252 | \$0 | \$148,658 |
| Licenses, Permits and Fees | 185,425 | 0 | 0 | 185,425 |
| Intergovernmental | 27,512 | 148,718 | 0 | 176,230 |
| Miscellaneous | 11,573 | 2,400 | 0 | 13,973 |
| <i>Total Cash Receipts</i> | <u>232,916</u> | <u>291,370</u> | <u>0</u> | <u>524,286</u> |
| Cash Disbursements | | | | |
| Current: | | | | |
| General Government | 82,530 | 1,597 | 0 | 84,127 |
| Public Safety | 1,972 | 134,423 | 0 | 136,395 |
| Public Works | 107,153 | 163,340 | 0 | 270,493 |
| Health | 31,935 | 553 | 0 | 32,488 |
| Conservation-Recreation | 6,621 | 0 | 0 | 6,621 |
| Capital Outlay | 48,039 | 6,425 | 0 | 54,464 |
| <i>Total Cash Disbursements</i> | <u>278,250</u> | <u>306,338</u> | <u>0</u> | <u>584,588</u> |
| <i>Excess of Receipts Over (Under) Disbursements</i> | <u>(45,334)</u> | <u>(14,968)</u> | <u>0</u> | <u>(60,302)</u> |
| <i>Fund Cash Balances, January 1</i> | <u>743,804</u> | <u>441,140</u> | <u>346</u> | <u>1,185,290</u> |
| Fund Cash Balances, December 31 | | | | |
| Nonspendable | 0 | 0 | 346 | 346 |
| Restricted | 0 | 426,172 | | 426,172 |
| Committed | 0 | 0 | 0 | 0 |
| Assigned | 0 | 0 | 0 | 0 |
| Unassigned (Deficit) | 698,470 | 0 | 0 | 698,470 |
| <i>Fund Cash Balances, December 31</i> | <u>\$698,470</u> | <u>\$426,172</u> | <u>\$346</u> | <u>\$1,124,988</u> |

The notes to the financial statements are an integral part of this statement.

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2014**

| | General | Special Revenue | Capital Projects | Permanent | Totals (Memorandum Only) |
|--|------------------|--------------------|---------------------|--------------|--------------------------------|
| Cash Receipts | | | | | |
| Property and Other Local Taxes | \$7,691 | \$136,372 | \$0 | \$0 | \$144,063 |
| Licenses, Permits and Fees | 187,570 | 0 | 0 | 0 | 187,570 |
| Intergovernmental | 239,122 | 113,035 | 74,772 | 0 | 426,929 |
| Miscellaneous | 4,600 | 6,936 | 0 | 0 | 11,536 |
| <i>Total Cash Receipts</i> | <u>438,983</u> | <u>256,343</u> | <u>74,772</u> | <u>0</u> | <u>770,098</u> |
| Cash Disbursements | | | | | |
| Current: | | | | | |
| General Government | 88,661 | 1,549 | 0 | 0 | 90,210 |
| Public Safety | 1,869 | 81,461 | 0 | 0 | 83,330 |
| Public Works | 162,796 | 118,946 | 0 | 0 | 281,742 |
| Health | 35,472 | 1,000 | 0 | 0 | 36,472 |
| Conservation-Recreation | 5,100 | 0 | 0 | 0 | 5,100 |
| Capital Outlay | 73,405 | 0 | 74,772 | 0 | 148,177 |
| <i>Total Cash Disbursements</i> | <u>367,303</u> | <u>202,956</u> | <u>74,772</u> | <u>0</u> | <u>645,031</u> |
| <i>Excess of Receipts Over (Under) Disbursements</i> | <u>71,680</u> | <u>53,387</u> | <u>0</u> | <u>0</u> | <u>125,067</u> |
| <i>Net Change in Fund Cash Balances</i> | 71,680 | 53,387 | 0 | 0 | 125,067 |
| <i>Fund Cash Balances, January 1</i> | <u>672,124</u> | <u>387,753</u> | <u>0</u> | <u>346</u> | <u>1,060,223</u> |
| Fund Cash Balances, December 31 | | | | | |
| Nonspendable | | | | 346 | 346 |
| Restricted | 0 | 441,140 | 0 | 0 | 441,140 |
| Unassigned (Deficit) | 743,804 | 0 | 0 | 0 | 743,804 |
| <i>Fund Cash Balances, December 31</i> | <u>\$743,804</u> | <u>\$441,140</u> | <u>\$0</u> | <u>\$346</u> | <u>\$1,185,290</u> |

The notes to the financial statements are an integral part of this statement.

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Springfield Township, Jefferson County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance and general government services. The Township contracts with Amsterdam, Bergholz and East Springfield Volunteer Fire Departments to receive fire protection services. The Township also contracts with Bergholz EMS for emergency medical service.

The Township participates in a public entity risk pool. Note 6 to the financial statements provide additional information for these entities. This organization is:

Public Entity Risk Pool:

The Township belongs to the Ohio Plan Risk Management, a risk sharing pool available to other local governments. The Pool provides property, liability, fleet and casualty coverage for its members.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

C. Deposits

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

1. General Fund

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

Gasoline Tax Fund - This fund receives gasoline tax and motor vehicle tax money for constructing, maintaining, and repairing Township streets.

Road and Bridge Fund – This fund receives road and bridge money for maintaining Township roads and bridges.

3. Capital Project Funds

These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township had the following significant capital project fund in 2014:

Issue II Fund - The Township received a grant from the State of Ohio to pave township roads.

4. Permanent Funds

These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Township had the following significant permanent fund:

Taylor Cemetery Endowment Fund – This fund receives interest earned on the nonexpendable corpus from a trust agreement. These earnings are used for the general maintenance and upkeep of the Township's cemetery.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2015 and 2014 budgetary activity appears in Note 3.

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

Council can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Township Council or a Township official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

G. Property, Plant, and Equipment

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

2. EQUITY IN POOLED DEPOSITS AND INVESTMENTS

The Township maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

| | 2015 | 2014 |
|-----------------|-------------|-------------|
| Demand deposits | \$1,124,988 | \$1,185,290 |
| Total deposits | 1,124,988 | 1,185,290 |

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2015 and 2014 follows:

| 2015 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$232,916 | \$232,916 | \$0 |
| Special Revenue | 291,370 | 291,370 | 0 |
| Total | \$524,286 | \$524,286 | \$0 |

| 2015 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|-------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$892,300 | \$278,250 | \$614,050 |
| Special Revenue | 730,469 | 306,338 | 424,131 |
| Total | \$1,622,769 | \$584,588 | \$1,038,181 |

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

| 2014 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$438,983 | \$438,983 | \$0 |
| Special Revenue | 256,342 | 256,343 | 1 |
| Capital Projects | 74,772 | 74,772 | 0 |
| Total | \$770,097 | \$770,098 | \$1 |

| 2014 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|-------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$1,046,400 | \$367,303 | \$679,097 |
| Special Revenue | 608,300 | 202,956 | 405,344 |
| Capital Projects | 74,722 | 74,772 | (50) |
| Total | \$1,729,422 | \$645,031 | \$1,084,391 |

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

5. RETIREMENT SYSTEM

The Township's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2015 and 2014 township employees contributed 10%, respectively, of their gross salaries and the Township contributed an amount equaling 14%, respectively, of participants' gross salaries. The Township has paid all contributions required through December 31, 2015.

6. RISK MANAGEMENT

The Government belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Government Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014
(Continued)**

6. RISK MANAGEMENT (Continued)

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retains 41.5% (effective November 1, 2011) of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Effective November 1, 2012 (and through October 2014) the plan increased its retention to 50% of the first \$250,000 casualty treaty. The Plan's property retention remained unchanged from prior years. This change was made to balance the reinsurance market conditions. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 774 and 783 members as of December 31, 2013 and 2014 respectively.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2013 and 2014 (the latest information available).

| | 2013 | 2014 |
|-----------------|--------------------|--------------------|
| Assets | \$13,774,304 | \$14,830,185 |
| Liabilities | <u>(7,968,395)</u> | <u>(8,942,504)</u> |
| Members' Equity | <u>\$5,805,909</u> | <u>\$5,887,681</u> |

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Springfield Township
Jefferson County
722 Monroe St.
Bergholz, Ohio 43908

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of Springfield Township, Jefferson County, (the Township) as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, and have issued our report thereon dated May 19, 2016, wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Township's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a significant deficiency. We consider finding 2015-001 to be a significant deficiency.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

May 19, 2016

**SPRINGFIELD TOWNSHIP
JEFFERSON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2015 AND 2014**

Finding Number 2015-001

Significant Deficiency

Posting Receipts and Disbursements

Sound accounting practices require the Township to maintain an accounting system that enables them to identify, assemble, analyze, classify, record and report all transactions.

The Fiscal Officer did not abide by the adopted chart of accounts and incorrectly coded and classified various transactions in 2014 and 2015 which resulted in reclassifications to the financial statements. The Township Fiscal Officer has agreed to and posted the following reclassifications, which are reflected in the accompanying financial statements. Several other mispostings were deemed immaterial and have been posted to the Summary of Unadjusted Differences.

2015:

| Fund | Description | Amount | Classified | Reclassified As |
|----------------------------|--------------------|---------------|---------------------------------|----------------------------|
| Fire Equipment | Fire Grants | \$51,549 | Charges for Services | Intergovernmental Revenue |
| Fire Fund | Fire protection | 8,670 | General Government Disbursement | Public Safety Disbursement |
| Fire Equipment | Fire Protection | 36,840 | General Government Disbursement | Public Safety Disbursement |
| Emergency Medical Services | EMS expense | 37,985 | General Government Disbursement | Public Safety Disbursement |
| Permanent | Fund Balance | 346 | Restricted | Non spendable |

2014:

| | | | | |
|----------------------------|-----------------|----------|---------------------------------|----------------------------|
| Fire Fund | Fire Protection | \$ 6,665 | General Government Disbursement | Public Safety Disbursement |
| Fire Equipment | Fire Protection | 35,844 | General Government Disbursement | Public Safety Disbursement |
| Emergency Medical Services | EMS services | 38,951 | General Government Disbursement | Public Safety Disbursement |
| Permanent | Fund Balance | 346 | Restricted | Non spendable |

**Finding Number 2015-001
(Continued)**

All transactions should be properly coded and classified according to the UAN chart of accounts to help ensure that financial activity of the Township is accurately recorded and reported.

The Township Fiscal Officer should review the current procedures for recording receipts and disbursements and review the adopted chart of accounts to determine the proper account codes in which to record various transactions. The Township Fiscal Officer should maintain the accounting system to enable the Township to identify, assemble, analyze, classify, record and report all transactions and to maintain accountability. The Township should adopt procedures for the review of posted transactions and subsequent reporting on the financial statements.

Official's Response: No response received.



Dave Yost • Auditor of State

SPRINGFIELD TOWNSHIP

JEFFERSON 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 21, 2016**