



Dave Yost • Auditor of State

VILLAGE OF BARNESVILLE
BELMONT COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Village of Barnesville
132 N. Arch Street
P.O. Box 190
Barnesville, OH 43713

We conducted a special audit of the Village of Barnesville, Belmont County, Ohio (the Village) by performing the procedures enumerated in the attached Supplement to the Special Audit Report for the period July 28, 2011 to November 3, 2014 (the Period) solely to:

- Examine credit card transactions made by the fiscal officer and scan other credit card transactions made by the Administrator to determine if they were supported by documentation indicating the nature and purpose of the charge, for a purpose related to Village operations, and made in accordance with Village policies.
- Examine supporting documentation for certain disbursements made by the Village to ensure they were for a purpose related to Village operations.

Additionally, we performed the procedures enumerated in the attached Supplement to the Special Audit Report for the period of January 1, 2013 to November 3, 2014 solely to:

- Examine supporting documentation available for revenue collected from parking fines, building permits, contractor licenses, and cemetery fees to ensure money received was recorded by the Village and deposited intact to the Village's bank account.

This engagement was conducted in accordance with the Quality Standards for Inspection and Evaluation established by the Council of the Inspectors General on Integrity and Efficiency (January 2012). The procedures and associated findings are detailed in the attached Supplement to the Special Audit Report. A summary of our procedures and significant results is as follows:

1. We examined the Village's credit card transactions made by the former fiscal officer, Darla Fuller, and scanned certain other credit card expenditures to determine if they were supported by documentation indicating the nature and purpose of the transaction, for a purpose related to the Village operations, and made in accordance with Village policies.

Significant Results: We identified 125 credit card transactions totaling \$11,646 made by Ms. Fuller that were not for a purpose related to Village operations. We issued a finding for recovery against Ms. Fuller totaling \$11,646 for public monies converted or misappropriated. As of the date of this report, Darla Fuller issued a payment to the Village, of which \$2,790 was applied to this finding. On January 4, 2016, Ms. Fuller was sentenced and ordered to pay restitution for the remaining unpaid balance totaling \$8,856. On January 26, 2016, the Village received and deposited a restitution payment issued to them by the Belmont County Clerk of Courts of Common Pleas, resulting in no remaining balance.

We identified on credit card transaction totaling \$29 made by the Village Administrator, Roger Deal, to purchase two bottles of wine and two other gifts for a vendor. We issued a finding for recovery against Mr. Deal totaling \$29 for public monies illegally expended. Mr. Deal repaid the \$29 to the Village on June 23, 2015.

We issued two management recommendations regarding establishing a credit card policy and a proper public purpose policy.

2. We examined non-payroll disbursements issued to Ms. Fuller during the Period and determined whether they were for a purpose related to Village operations.

Significant Results: During the Period, the Village issued nine non-payroll disbursements to Ms. Fuller totaling \$5,194. We determined that four of these disbursements totaling \$3,460 did not have proper supporting documentation and were not for a purpose related to Village operations.

We issued a finding for recovery against Ms. Fuller totaling \$3,460 for public monies converted or misappropriated. As of the date of this report, Darla Fuller issued a payment to the Village, of which \$3,460 was applied to this finding, resulting in no remaining balance.

3. For the period January 1, 2013 through November 3, 2014, we examined supporting documentation for revenues collected for parking fines, building permits, contractor licenses, and cemetery fees to ensure monies received were recorded by the Village in their accounting system and deposited intact to the Village's bank account.

Significant Results: We were unable to audit the receipt of parking fines due to the Village not maintaining appropriate records. We issued a management recommendation regarding safeguarding of parking tickets and other documents related to payment of parking fines.

The Village issued one building permit totaling \$50 that was collected but not deposited.

Fourteen contractor licenses totaling \$350 were issued but not recorded in the accounting system or deposited by the Village. A duplicate receipt was issued by Ms. Fuller for three of these contractor licenses.

In 2014, the Village sold three cemetery lots to a customer for \$600. The customer issued a check for \$400 and paid \$200 in cash which was documented on the cemetery work order form prepared by the Village Administrator. The Village deposited the check for \$400 but did not deposit the \$200 in cash.

We interviewed Ms. Fuller and she admitted she collected \$450 in cash for an income tax payment and did not record or deposit the payment. Ms. Fuller told us that she later issued a check from the Village's general checking account to the Village of Barnesville Income Tax to conceal the payment she failed to deposit. We confirmed that Ms. Fuller issued a duplicate receipt for an income tax payment received for \$450 that was not deposited. In addition, we confirmed that Ms. Fuller issued a check from the Village of Barnesville's general checking account to Barnesville Income Tax that was deposited into the same checking account.

We issued a finding for recovery against Ms. Fuller totaling \$1,050 for public monies converted or misappropriated. We issued one noncompliance citation regarding records retention and three management recommendations regarding parking tickets, issuing receipts, and cemetery burial fees. As of the date of this report, Darla Fuller issued a payment to the Village, of which \$1,050 was applied to this finding, resulting in no remaining balance.

4. On January 13, 2016, we held an exit conference with the following individuals representing the Village:

David Norris, Chief of Police
Marlin Harper, Village Solicitor
Leslie Tickhill, Council Member
Patricia Van Hoosen, Fiscal Officer
Roger Deal, Administrator

The attendees were informed that they had five business days to respond to this special audit report. A response was received on January 13, 2016. The response was evaluated and changes were made to this report as we deemed necessary.



Dave Yost
Auditor of State

November 6, 2015

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Supplement to the Special Audit Report

Background

In September 2014, the Village's Council President and Acting Mayor, Mr. Dale Bunting, contacted the Auditor of State's (AOS) office to discuss concerns that the fiscal officer, Ms. Darla Fuller, was not providing timely reports to the Council and was three to four months late in reconciling the Village's bank accounts.

In November 2014, the Village Administrator, Mr. Roger Deal, contacted the AOS to report the Village had terminated Ms. Fuller's employment and was going to hire an independent contractor to reconcile the Village's financial records. Mr. Deal also reported the Village had concerns of possible theft, but did not have any specific instances to report at that time.

In December 2014, Mr. Bunting contacted the AOS to confirm the Village had identified improper expenditures Ms. Fuller made with a Village credit card. He reported that Ms. Fuller sent the Village a check for \$7,300 and included a note to post the funds to the General and Cemetery funds. On February 3, 2015, the AOS Special Audit Task Force (SATF) determined to perform special audit procedures during the Village's fiscal years 2013 and 2014 financial audits to examine credit card disbursements made by the former fiscal officer.

On April 29, 2015, members of the AOS Public Integrity Assurance Team met with Ms. Fuller and her attorney. Ms. Fuller admitted to using the Village's credit card for personal expenditures, issuing Village checks to herself for personal use, and taking cash received by the Village for parking fines, building permit fees, cemetery plot fees, and an income tax payment. On May 18, 2015, the SATF considered this additional information and initiated a special audit of the Village.

On December 9, 2015, Ms. Fuller pled guilty to theft in office and attempted tampering with records.

Supplement to the Special Audit Report

Objective No. 1 - Examine credit card charges made by the fiscal officer to determine if they were supported by documentation indicating the nature and purpose of the charge, for Village related purposes, and made in accordance with Village policies.

PROCEDURES

We obtained credit card statements from JP Morgan Chase for the Period¹.

We identified all Village credit card transactions made by Ms. Fuller during the Period and determined if they were supported by documentation indicating the nature and purpose of the transaction, were for a purpose related to Village operations and not for personal benefit, and were made in accordance with Village policies.

We obtained documentation from vendors for certain credit card transactions to determine if they were for a purpose related to Village operations.

We scanned all Village credit card transactions made by Mr. Deal during the Period to determine if they were for a purpose related to Village operations.

RESULTS

During the Period, Ms. Fuller's activity included 395 credit card transactions totaling \$250,814. Of those 395 transactions, 271 lacked supporting documentation. Based on the nature of the transactions, we and the Village identified purchases that appeared to be personal and not for purposes related to Village operations. For example, we identified eighty-three fuel purchases from private gas stations. The Village stated it has its own fueling stations, so there would be no need for these purchases. When we interviewed Ms. Fuller, she admitted to using the Village credit card for personal fuel purchases. We then identified the location of the gas stations and corroborated Ms. Fuller's admission by placing eighty-one of the purchases between the Village and Ms. Fuller's personal residence. The Village and AOS also contacted vendors regarding an additional forty transactions that appeared to be personal in nature (e.g., electricity bills, personal cell phone, lodging, etc.) and obtained supporting documentation. Based on the nature of the items purchased, our review of all supporting documentation obtained and our interviews with Ms. Fuller, we were able to determine that in total, 125 credit card transactions totaling \$11,646 were personal and not for purposes related to Village operations. Also, while scanning credit card transactions made by Mr. Deal AOS found one transaction totaling \$29 that was not considered a proper public purpose.

¹ The Village opened a credit card account for the fiscal officer and administrator on January 31, 2012 and the first transaction was made on March 10, 2012.

Supplement to the Special Audit Report

FINDING FOR RECOVERY REPAID UNDER AUDIT

During the period of March 10, 2012 through November 3, 2014, we identified 125 purchases totaling \$11,646 made by the former fiscal officer, Darla Fuller, which were illegal and not related to operations of the Village. These purchases consisted of the following:

- 83 transactions totaling \$3,995 to purchase fuel for a personal vehicle;
- 20 transactions totaling \$3,190 for a personal cell phone;
- Nine transactions totaling \$1,297 for personal items at Walmart;
- Four transactions totaling \$1,106 for electricity and related service charges at a personal residence;
- Two transactions totaling \$19 for food at restaurants;
- Two transactions totaling \$751 to purchase diesel fuel for a personal residence;
- Two transactions totaling \$595 for lodging at hotels;
- Two transactions totaling \$197 for clothing;
- One transaction totaling \$496 for car repair on a personal vehicle;

In accordance with the foregoing facts and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public monies converted or misappropriated is hereby issued against former fiscal officer, Darla Fuller in the amount of \$11,646 and in favor of the Village of Barnesville.

On December 8, 2014, Ms. Fuller issued a cashier's check totaling \$7,300 to the Village of Barnesville. We applied \$3,460 to repay the finding issued in Objective 2, \$1,050 to repay the finding issued in Objective 3, and \$2,790 toward this finding. On January 4, 2016, Ms. Fuller was sentenced and ordered to pay restitution for the remaining unpaid balance totaling \$8,856. On January 26, 2016, the Village received and deposited a restitution payment issued to them by the Belmont County Clerk of Courts of Common Pleas, resulting in no remaining balance.

FINDING FOR RECOVERY REPAID UNDER AUDIT

Auditor of State Bulletin 2003-005 Expenditure of Public Funds/Proper Public Purpose states that the Auditor of State's Office will only question expenditures where the legislative determination of a public purpose is manifestly arbitrary and incorrect. The Bulletin further states that the Auditor of State's Office does not view the expenditure of public funds for alcoholic beverages as a proper public purpose and will issue findings for recovery for such expenditures as manifestly arbitrary and incorrect.

Although outside the Period, on November 21, 2014, we noted the Village Administrator, Roger Deal used the Village credit card to purchase two bottles of wine and two other unidentified gifts totaling \$29 for a vendor.

In accordance with the forgoing facts and pursuant to Ohio Revised Code Section 117.28, a finding for recovery for public money illegally expended is hereby issued against Roger Deal in the amount of \$29, in favor of the Village's General Fund.

When informed of these facts, Mr. Deal agreed to repay the Village. He repaid this amount to the Village on June 23, 2015.

Supplement to the Special Audit Report

MANAGEMENT RECOMMENDATIONS

Credit Card Policy

On August 9, 2013, our office issued a management letter to the Village in relation to the fiscal years 2011 and 2012 financial audits that included a recommendation to establish and adopt a formal credit card policy; however, the Village did not establish a credit card policy. During the Period, we noted the following conditions with credit card use by the Village:

- The former fiscal officer did not maintain supporting documentation for 271 transactions which included 123 transactions determined to be for personal expenses;
- The Village did not always maintain itemized receipts for purchases at restaurants; and
- There was no evidence that Village officials reviewed any monthly credit card statements.

The Village failed to provide detailed guidance regarding required supporting documentation and allowable expenses, and failed to review the credit card transactions made by the former fiscal officer and Village administrator. Had the Village adopted such policies and enforced them, the Village may have prevented any illegal expenditures from occurring and, at a minimum, would likely have caught the illegal expenditures earlier.

We recommend the Village adopt a credit card policy and develop written procedures that could include the following provisions:

- A stipulation specifying who is authorized to use the credit card;
- A stipulation that the credit card should not be used for personal expenses;
- Limits on the amount a cardholder can spend;
- Limits on the frequency of use within a predefined timeframe;
- Restrictions on the type of vendors and merchants from whom purchases can be made;
- Specific prohibitions on the types of goods or services that may be purchased (e.g. entertainment, alcoholic beverages, personal services, etc.);
- A requirement that cardholders retain copies of all original, signed receipts;
- Segregation of duties between the cardholder and the approving card authorizing manager;
- Establish on-line monitoring for credit card transactions;
- A stipulation that all payment information should be maintained in accordance with the Village's records retention schedule;
- A requirement that cardholders cannot benefit through any type of awards program offered in connection with credit card use (e.g., frequent flier miles); and
- A stipulation that cardholders immediately notify their direct supervisor if the credit card is lost or stolen.

Additionally, we recommend procedures be implemented that include a detailed examination of charges and resolution of questioned items by a supervisor or management.

During the course of the audit, the Village Council adopted a credit card policy by resolution.

Proper Public Purpose Policy

Expenditures using public money should serve a public purpose. The decision of what constitutes a public purpose should be memorialized by a duly enacted resolution of Council that sets forth the policy of the Village and that has prospective effect only. Such policy should include Council's view of the type and nature of expenditures which constitute a proper public purpose to support the Village's goals and mission.

Supplement to the Special Audit Report

During the Period, we noted the Administrator purchased the following items with his Village credit card and did not get approval from Village Council:

- Gift cards totaling over \$1,105 to Village employees for Christmas and retirement gifts during the Period. We also noted an additional \$470 for the purchase of gift cards in December 2014, which was outside the Period. None of these gifts were reported on the employees' Form W-2 as a taxable benefit;
- 18 restaurant meals totaling \$666 for meetings allegedly attended by the Administrator and Village employees. The Administrator completed six expense reports for these meals; however, none of them were signed by a supervisor or the Mayor;
- Coffee, water, cake, and other refreshments; and
- Flowers for employees

In addition, we noted that the Administrator purchased meals for two Village employee retirement parties totaling \$1,343 and a Village employee Christmas party totaling \$827 that were approved by Council prior to the expenses occurring. We identified that one of the retirement parties included meals for 6 children totaling \$29.94.

The Village has no policy that describes the appropriateness of expenditures in regard to an acceptable proper public purpose. In the absence of such a policy, expenditures that do not promote the goals or mission of the Village or work to achieve such goals or mission may inadvertently be entered into and approved by the Village.

We recommend Council pass a comprehensive proper public purpose policy that provides guidance and direction to the Village's management and staff as to what expenditures are viewed to be for a proper public purpose that accomplish the goals and mission of the Village.

In addition, we recommend the Village maintain a list documenting the distribution of any gift cards purchased with public funds and also note that if given to Council members or employees of the Village they may be taxable. The Village should consult with their legal counsel regarding the tax liability of gifts to employees.

Supplement to the Special Audit Report

Objective No. 2 - Examine supporting documentation for certain disbursements made by the Village to ensure they were for a purpose related to Village operations.

PROCEDURES

We identified all non-payroll disbursements issued to Ms. Fuller during the Period by reviewing all canceled checks obtained from the Village's bank and determined whether these checks were for a purpose related to Village operations.

We scanned all other canceled checks not issued to Ms. Fuller and also requested the Village Administrator to scan the canceled checks for any unusual disbursements.

RESULTS

Our scan of canceled checks identified nine non-payroll checks issued to Ms. Fuller totaling \$5,194. We determined three of these checks totaling \$1,060 did not have proper documentation and were not for a purpose related to the operations of the Village.

In addition, Ms. Fuller issued one check to herself for \$3,425. Attached to the check was an invoice from Ports Petroleum for \$2,400, a request from the Village's water department to apply \$671 of deposits received to customers' accounts, and to issue refunds to customers totaling \$354. Ms. Fuller cashed the Village check and received three money orders issued to her totaling \$2,200, \$871 in cash, and seven money orders totaling \$354 issued to the customers that were to receive a refund from the Village's water department. We confirmed with the Village water department that they received and deposited \$671 in cash for the customer account deposits. We contacted Ports Petroleum and confirmed the \$2,200 invoice submitted as documentation by Ms. Fuller was not a legitimate invoice. During an interview, Ms. Fuller told us that she used the money orders to make her mortgage payment.

FINDING FOR RECOVERY REPAID UNDER AUDIT

As the Village's fiscal officer, Ms. Fuller issued three checks totaling \$1,060 payable to her that were not authorized or for a purpose related to Village operations. In addition, Ms. Fuller issued a check for \$3,425 to herself and from its proceeds received \$2,200 in money orders issued to her and \$200 in cash that was not authorized or for a purpose related to Village operations.

In accordance with the foregoing facts and pursuant to Ohio Revised Code Section 117.28, a finding for recovery for public monies converted or misappropriated is hereby issued in the amount of \$3,460 against Darla Fuller in favor of the Village of Barnesville.

On December 8, 2014, Ms. Fuller issued a cashier's check totaling \$7,300 to the Village of Barnesville. We applied \$3,460 toward repayment of this Finding for Recovery, \$1,050 toward the finding issued in Objective 3, and \$2,790 toward the finding issued in Objective 1.

Supplement to the Special Audit Report

Objective No. 3 - Examine supporting documentation available for revenue collected from parking fines, building permits, cemetery plots, and contractor licenses to ensure money received was recorded by the Village and deposited intact to the Village's general checking account.

PROCEDURES²

We obtained revenue statements from the Village's accounting system for parking fines, building permits, contractor licenses, and cemetery lot sales and internments and identified the total amount recorded by the Village.

We examined parking tickets, building permit applications, contractor licenses, and cemetery work orders.

We obtained copies of the Village's bank statements, bank account deposit slips, and supporting documentation for deposits during the period January 1, 2013 through November 3, 2014.

RESULTS

During the period of January 1, 2013 through November 3, 2014, we examined all building permit applications received by the Village and determined that 66 building permits were issued with permit fees totaling \$6,546. Upon reconciliation of the Village's building permit records, we determined one permit fee for \$50 was not recorded in the accounting system or deposited by the Village.

During the period of January 1, 2013 through November 3, 2014, we examined all contractor licenses issued by the Village and determined that 134 licenses were issued with fees totaling \$3,350. Upon reconciliation of the contractor license records maintained at the Village, we determined 14 of these licenses, costing \$25 each, were not deposited. Ms. Fuller issued a handwritten duplicate receipt for three of these 14 licenses. We determined that the fees for these 14 permits totaling \$350 was not recorded or deposited by Ms. Fuller. When we interviewed Ms. Fuller, she admitted to receiving contractor license fees in cash and not depositing them into the Village's account.

During the period of January 1, 2013 through November 3, 2014, we examined cemetery work orders for lot sales prepared by the Village Administrator and determined that 64 cemetery lot spaces were sold by the Village with sales totaling \$12,800. During this period, the Village recorded \$19,220 in cemetery lot sales revenue. Upon review of supporting documentation for deposits and reconciliation of multiple posting errors, we determined \$200 in cash was missing. We interviewed Ms. Fuller and she admitted she received \$200 in cash from a cemetery lot sale that she did not record or deposit and kept for personal use.

During the period of January 1, 2013 through November 3, 2014, we examined cemetery work orders for burials and cremations. We determined that there were 62 burials and 11 cremations with fees totaling \$33,500. Upon review of supporting documentation for deposits, and reconciliation of multiple posting errors, we determined the Village received and deposited payments from funeral homes totaling only \$32,100. We identified two burials and two cremations totaling \$1,400 that the Village did not have record of receiving payment from two funeral homes. The Village contacted the two funeral homes and they confirmed that they had not issued a payment for these burials and cremations. The Village received payment for these fees from the two funeral homes in September and October 2015.

² For these procedures, we applied a more limited period of audit, as described in our Results.

Supplement to the Special Audit Report

For the period of January 1, 2013 through November 3, 2014, we reviewed the parking fines documentation maintained by the Village, however, we were unable to determine the total amount the Village collected due to the lack of records maintained by the Village's Police Department and therefore were unable to determine if all monies received were recorded and deposited intact.

During an interview, Ms. Fuller informed us that she was responsible for collecting delinquent income tax payments during the period of April 23, 2014 through June 9, 2014 while the income tax clerk was on leave. We reviewed all of the delinquent income tax activity during this time. Ms. Fuller told us that she did not deposit an income tax payment she received on April 25, 2014 for \$450 at the Village and kept it for personal use. Also, Ms. Fuller told us she issued a check to the income tax department from the Village's bank account to cover the income tax payment she collected but did not deposit. We confirmed that Ms. Fuller issued a check from the Village's checking account on May 9, 2014 to 'Barnesville Income Tax' for \$450 and it was deposited into the same Village bank account.

FINDING FOR RECOVERY REPAID UNDER AUDIT

During the period of January 1, 2013 through November 3, 2014, we determined the Village issued one building permit totaling \$50 which was collected but not deposited.

During the period of January 1, 2013 through November 3, 2014, we identified 14 contractor licenses totaling \$350 that were issued and were neither recorded in the accounting system nor deposited by the Village. A duplicate receipt was issued by fiscal officer, Darla Fuller for three of the 14 contractor licenses that were not recorded in the system.

In 2014, the Village sold three cemetery lots to a customer for \$600. The customer issued a check for \$400 and paid \$200 in cash which was documented on the cemetery work order form prepared by the Village Administrator. The Village deposited the check for \$400 but did not deposit the \$200 in cash. When shown this transaction, Ms. Fuller admitted to taking the \$200 cash for her personal use.

During an interview, Ms. Fuller told us that she did not deposit an income tax payment she received in cash for \$450 at the Village and kept it for personal use. We identified the referenced payment and confirmed Ms. Fuller collected the payment and issued a duplicate receipt; however, the payment was not posted to the Village accounting system or deposited.

In accordance with the foregoing facts and pursuant to Ohio Revised Code Section 117.28, a finding for recovery for public monies converted or misappropriated totaling \$1,050 is hereby issued against Darla Fuller in favor of the Village of Barnesville.

On December 8, 2014, Ms. Fuller issued a cashier's check totaling \$7,300 to the Village of Barnesville. We applied \$1,050 toward repayment of this Finding for Recovery, \$2,790 toward the finding issued in Objective 1, and \$3,460 toward the finding issued in Objective 2.

NONCOMPLIANCE CITATION

Records Retention

Ohio Revised Code Section 149.351(A) states in part, "(a)ll records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under sections 149.38 to 149.42 of the Revised Code..."

The Village does not have a records retention policy and did not maintain all copies of parking tickets issued by the Police Department or the payment documentation remitted to the Village.

Supplement to the Special Audit Report

Failure to adequately control and maintain documents could result in the inability of the Village to review prior transactions for accuracy and resulted in AOS not being able to audit parking fines issued by the Village. This also limits the ability to ensure accountability over receipts and subsequent deposits.

We recommend the Village establish a records retention policy. We also recommend the Village ensure that all records are adequately safeguarded.

MANAGEMENT RECOMMENDATIONS

Parking Tickets

During review of parking ticket revenue we identified the following issues:

- The Police Department did not maintain a numerical log for all parking tickets issued, paid and voided by the Police Department;
- The Police Department did not maintain the original or duplicate copy of the parking tickets that were paid. All original and duplicate copies of parking tickets paid were submitted to the fiscal officer with the payments received for deposit;
- The Police Department did not verify the amount received for payment of parking tickets before submitting funds to the fiscal officer for deposit and did not obtain a pay-in from the fiscal officer showing the transfer of monies received.

As a result of the practice of the Police Department not maintaining a log of parking tickets issued, paid or voided and not maintaining documentation for parking tickets paid (e.g., the ticket and envelope), the Village is unable to determine the total amount that should be received and also is unable to verify what they have received and what is still outstanding. Also, if the Police Department does not obtain a pay-in from the fiscal officer when they submit monies collected for parking tickets, the Village is unable to document that all of the monies collected were submitted for deposit.

We recommend the Village Police Department maintain a log that documents the distribution of all parking tickets and related payment information. We recommend that the Village Police Department maintain the duplicate copy of the parking ticket issued and submit the original ticket and/or envelope returned with the payment for the parking fine to the fiscal officer. We recommend that the fiscal officer issue a pay-in to all departments within the Village that submit monies collected for deposit and provide monthly revenue reports for the departments to review to ensure all monies collected are deposited.

Receipts

The fiscal officer inconsistently issued handwritten receipts from pre-numbered receipt books to customers who made payments for building permit fees and contractor licenses fees. In addition, many times the type of tender was not recorded on the duplicate receipts. Finally, some of the duplicate copies of the receipts had been removed from the receipt book and could not be located by the Village.

Failure to issue pre-numbered, duplicate receipts for all monies collected by the Village increases the risk of monies collected not being recorded and deposited, and prevents the Village from identifying the total amount received.

We recommend the Village issue a pre-numbered duplicate receipt for all monies collected at the Village and record the tender type on each receipt.

Supplement to the Special Audit Report

Cemetery Burial Fees

During review of cemetery burial fees we determined the administrator prepared a work order for each burial that occurred at a Village-owned cemetery and sent the orders to the applicable funeral homes for payment. When the funeral homes made payment for the burial fees, they sent the completed work order to the fiscal officer and she recorded the receipt of such payment in a log maintained by the Village. The administrator maintained a copy of the work order he prepared and maintained a log for each burial work order he prepared by calendar year; however, the Village did not ensure that each work order issued was eventually paid by the funeral homes.

Failure to reconcile the work orders issued by the administrator to those returned by the funeral homes with payment resulted in the Village not receiving timely payment for two burials and two cremations from two different funeral homes. These payments were made after being brought to the attention of the Village by the AOS.

We recommend the administrator reconcile monthly, all work orders issued for burial fees to funeral homes with payments received by the fiscal officer to ensure all burial fees have been received and deposited by the Village.



Dave Yost • Auditor of State

VILLAGE OF BARNESVILLE

BELMONT 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
FEBRUARY 11, 2016**