



Dave Yost • Auditor of State



Dave Yost • Auditor of State

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 Village) for the years ended December 31, 2015 and 2014.

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, 2015 and 2014.

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 deposits in transit totaling \$990. \$398 of these deposits in transit was a carry forward from the 2011 audit. 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. Additionally, we noted \$184 of the deposit in transit appears to be duplicate entries in Quickbooks. We were unable to verify if the remaining \$408 was for duplicate receipts within Quickbooks.

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 \$582 and remove the amount from the reconciliation. Our prior audit also reported this deficiency.

Current Year Observations (Continued)

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 Non-cash Adjustment Report.

Use and review of this report 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 non-cash adjustments made to the accounting system.

3. The Village sends their water customers a payment book at the beginning of the year. The customers are to pay their bills utilizing these payment coupons. However, it was noted many of the customers are not paying their bills and there are no policies or procedures in place to ensure the customers pay their balances. Neither the Fiscal Officer nor Council are monitoring overdue accounts and the service is not being shut off to overdue customers. Additionally, the Village updated their water rates in 2015 but the monthly charges were only posted to the customer accounts through June 2015. Therefore, the customer accounts did not have six months of services posted. It was also noted the Fiscal Officer will deposit the customer payments and record the payment in the General Ledger; however, the posting to the customer account may not occur until later.

Village Council should establish policies and procedures with regard to customer billings, payments and shut-off's for non-payment of services.

Current Status of Matters We Reported in Our Prior Engagement

1. In our prior basic audit, we noted the Village did not properly update balances for the outstanding Certificates of Deposit and they had a deposit in transit that wasn't a true deposit as noted above under current observation 1;
2. The Village's Quickbooks accounting system did not provide the Village with a Delinquent Billing Report or a Non-cash Adjustment Report as noted above under current observation 2. We did note the Quickbooks system did provide a Customer Balance Detail Report which will show their account balance which includes their delinquent amount.



Dave Yost
Auditor of State
Columbus, Ohio

July 8, 2016



Dave Yost • Auditor of State

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
AUGUST 2, 2016**