



Dave Yost • Auditor of State



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Village of Octa
Fayette County
8029 Allen Street
Washington Court House, Ohio 43160

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 Octa, Fayette County, (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.

Based on the results of our procedures, we found no significant compliance or accounting issues to report.

Current Year Observations

1. During review of expenditure warrants we noted that the Village uses petty cash that is not currently reconciled or recorded on the Village books.

We recommended the Village maintain receipts for petty cash expenses and report petty cash on the monthly reconciliation.

2. Two individuals completed weekly timecards and were paid as a contract employee.

We recommend that the Village request an Internal Revenue Service and Ohio Public Employees Retirement System (OPERS) determination as to whether taxes and retirement payments should be withheld for these individuals.

3. The Village purchased flowers for all residents in the Village that passed away during 2014 and 2015, in the amount of \$396 and \$271 respectively. Also, the Village purchased hams, turkeys, and supplies for a Christmas party. The ham and turkey is given to their contract maintenance worker and contract repair mechanic for their services. The expenditures totaled \$157 and \$204, during 2014 and 2015.

The Village did not make timely payments on an outstanding promissory note timely, as a result, late fees were incurred in the amount of \$40 and \$20, in 2014 and 2015 respectively.

We recommend the Village review bulletin 2004-002, Expenditure of Proper Funds for a Proper Public Purpose. The Legislative authority should establish a policy for the purchase of items listed above, as well as continue to approve all expenditures in the minutes. We also recommend all payments for the outstanding note are made per the debt schedule.

4. We noted two expenditures during 2014 that did not have proper supporting documentation attached. The Village paid \$400 for the purchase of a mower and \$1,200 for the purchase of a used sprayer. We completed alternative procedures to determine that these expenditures were for a proper public purpose.

It is recommended the Village maintain supporting documentation for all expenditures.

Current Status of Matters we Reported in our Prior Engagement

1. In addition to the matters reported in the items above, it was noted no corrective action has been taken on the prior Agreed Upon Procedures (AUP) audit for the years ended December 31, 2013 and 2012. The following issues were noted in the prior year AUP:
 - Improper posting of grant monies for the 2012 and 2013 audit.
 - The Village posted real estate tax receipts at net instead of gross, this was not corrected for the 2014 and 2015 audit.
 - The Village ending balances at 12/31/13 did not agree to the Uniform Accounting Network (UAN) 1/1/14 beginning balances. The Village made fund balance adjustments in the UAN system during 2015, in the amount of \$285.



Dave Yost
Auditor of State

Columbus, Ohio

April 12, 2016



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VILLAGE OF OCTA

FAYETTE 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
APRIL 26, 2016