



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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## BASIC AUDIT REPORT

Perry Township  
Coshocton County  
20995 CR 367  
Walhonding, Ohio 43843

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of Perry Township, Coshocton County, Ohio (the Township), for the years ended December 31, 2021 and 2020.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the Township's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Township's financial statements, transactions or balances for the years ended December 31, 2021 and 2020.

The Township's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

### Current Year Observations

1. **Ohio Rev. Code § 133** allows various methods for subdivisions to incur debt. Ohio Rev. Code § 133 allows a subdivision to issue anticipatory securities. Ohio Rev. Code § 133.10 allows anticipation securities in anticipation of current property tax revenues or in anticipation of current revenues in and for any fiscal year from any source or combination of sources, including distributions of any federal or state monies, other than the proceeds of property taxes levied by the subdivision

Ohio Rev. Code § 133.15 allows the issuance of securities for the purpose of paying all or any portion of the costs of any permanent improvement that the subdivision is authorized, alone or in cooperation with other persons, to acquire, improve, or construct. Ohio Rev. Code § 133.18 allows the taxing authority of a subdivision by legislation to submit to the electors of the subdivision the question of issuing any general obligation bonds, for one purpose, that the subdivision has power or authority to issue.

The Township has two promissory notes with Peoples Bank that are currently in repayment - one issued in 2017 and one issued in 2019. These notes do not meet the requirements set forth in Ohio Rev. Code § 133.

The Ohio Revised Code contains various methods of incurring debt for Townships. Installment loans and promissory notes with banking institutions are not legal methods of debt for Townships.

### Current Year Observations (Continued)

The Board of Township Trustees should consult with the Township's legal counsel prior to the Township incurring future debt.

We also reported this observation in our prior basic audit.

- 2. Ohio Rev. Code § 149.43(B)(2)** states that a public office shall have available a copy of its current records retention schedule at a location readily available to the public.

The Township did not provide a records retention schedule upon our request. This could result in public records being destroyed prior to an authorized time as well as records requests not being fulfilled in accordance with Ohio law.

The Township should generate and approve a record retention schedule to include provisions for the application or schedule for destruction of public records, including transmission to the Ohio Historical Society and approval by the Auditor of State's Office. This will help reduce the risk that the Township's records are mutilated or destroyed prior to an authorized time.

- 3. Ohio Rev. Code § 149.43(E)(1)** states to ensure that all employees of public offices are appropriately educated about a public office's obligations under division (B) of this section, all elected officials or their appropriate designees shall attend training approved by the attorney general as provided in section 109.43 of the Revised Code. A future official may satisfy the requirements of this division by attending the training before taking office, provided that the future official may not send a designee in the future official's place.

**Ohio Rev. Code § 149.43(E)(2)** states public offices shall adopt a public records policy in compliance with this section for responding to public records requests. In adopting a public records policy under this division, a public office may obtain guidance from the model public records policy developed and provided to the public office by the attorney general under section 109.43 of the Revised Code. Except as otherwise provided in this section, the policy may not limit the number of public records that the public office will make available to a single person, may not limit the number of public records that it will make available during a fixed period of time, and may not establish a fixed period of time before it will respond to a request for inspection or copying of public records, unless that period is less than eight hours.

The public office shall distribute the public records policy adopted by the public office under this division to the employee of the public office who is the records custodian or records manager or otherwise has custody of the records of that office. The public office shall require that employee to acknowledge receipt of the copy of the public records policy. The public office shall create a poster that describes its public records policy and shall post the poster in a conspicuous place in the public office and in all locations where the public office has branch offices. The public office may post its public records policy on the internet web site of the public office if the public office maintains an internet web site. A public office that has established a manual or handbook of its general policies and procedures for all employees of the public office shall include the public records policy of the public office in the manual or handbook.

The Township's elected officials (Fiscal Officer and three Trustees) are required to attend public records training. Two of the three Trustees with terms that ended during the audit period did not attend a required Certified Public Records Training or have an appropriate designee attend a training, due to deficiencies in internal controls over public record law as training procedures and monitoring. For one Trustee, there was no documentation that a designee was appointed. The other Trustee did appoint a designee in 2020; however the designee did not attend the required training during the Trustee's term that ended during the period.

**Current Year Observations (Continued)**

Additionally, the Township does not have an approved public records policy as required by Ohio Rev. Code § 149.43(E)(2).

All elected officials should attend the required public records training for each term of office, or formally document an appointed designee to attend on their behalf. The Township should also establish a public records policy, ensure the policy is publicly posted and written evidence is maintained the records custodian has received the policy.

We also reported this observation in our prior basic audit.

- 4. Ohio Rev. Code § 507.12(A)** states to enhance the background and working knowledge of township fiscal officers in government accounting, budgeting and financing, financial report preparation, cybersecurity, and the rules adopted by the auditor of state, the Auditor of State shall conduct education programs and continuing education courses for individuals elected or appointed for the first time to the office of township fiscal officer, and shall conduct continuing education courses for individuals who continue to hold the office in a subsequent term. The Ohio township association also may conduct such initial education programs and continuing education courses if approved by the Auditor of State. The Auditor of State, in conjunction with the Ohio township association, shall determine the manner and content of the initial education programs and continuing education courses.

**Ohio Rev. Code § 507.12(C)(2)** states a township fiscal officer who is elected to a subsequent term of office shall complete twelve hours of continuing education courses in each subsequent term of office.

The former Fiscal Officer, who was serving a re-elected term that ended March 31, 2020, should have completed a total of twelve hours of continuing education during the term. Review of the Auditor of State (AOS) online database shows that the Fiscal Officer only reported seven hour of continuing education.

The Fiscal Officer should register through the AOS on-line database and begin self-reporting continuing education hours. Fiscal Officers can access the Fiscal Integrity Act portal at <http://www.ohioauditor.gov/fiscalintegrity/default.html>.



Keith Faber  
Auditor of State  
Columbus, Ohio

September 27, 2022

# OHIO AUDITOR OF STATE KEITH FABER



**PERRY TOWNSHIP**

**COSHOCTON COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 10/11/2022**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)