



OHIO AUDITOR OF STATE
KEITH FABER





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BASIC AUDIT REPORT

Wellington Union Cemetery
Lorain County
19893 State Route 58
Wellington, Ohio 44090

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of Wellington Union Cemetery, Lorain County, Ohio (the Cemetery) for the years ended December 31, 2019 and 2018.

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 Cemetery's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Cemetery's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

The Cemetery'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 the following significant compliance or accounting issues to report.

Current Year Observations

1. A necessary step in the internal control over financial reporting is to reconcile the bank balance to the accounting system's cash balance. Bank reconciliation means accounting for the differences between the bank statement's balance and the cash and investment balances with the accounting system at a specific point in time.

The Cemetery did not prepare a formal bank to book reconciliation for fiscal year-end 2019. Subsequent to the beginning of fieldwork, it was determined the Cemetery's books reconciled to the Cemetery's general checking account without exception. The Fiscal Officer should ensure bank to book reconciliations are performed each month, reconciling items are clearly documented, and any variance are timely investigated and corrected.

2. **Ohio Rev. Code § 117.38** requires the financial report to be filed with the Auditor of State within sixty days following the close of the Cemetery's fiscal year. Failing to file annual reports by the required date can result in fines of \$25 per day up to a maximum of \$750.

The Cemetery filed their 2019 and 2018 annual financial reports with the Auditor of State on March 11, 2021 and February 16, 2021, respectively, which was after the required due date of March 1, 2020 and March 1, 2019. The Cemetery should file its annual report by the required due date.

3. **Ohio Admin. Code § 117-2-02** indicates all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, classify, record, report its transactions, and prepare financial statements required by **Ohio Admin. Code § 117-2-03**.

For the 2019 financial report filed with the Auditor of State, the receipts, disbursements, and ending fund balance in the report did not agree to the amounts in the Cemetery's accounting system for the General Fund, with variances of \$7,292, \$944, and \$853, respectively.

The cause of the variances was unknown. The Fiscal Officer should ensure the financial statements filed with the Auditor of State are supported by the Cemetery's accounting records.

4. **Ohio Rev. Code § 145.47** indicates employers must report to the Ohio Public Employees Retirement System (OPERS) contributions and earnable salary no more than 30 days after the reporting period, and at that time, such contributions shall be remitted.

For the May 2019 reporting period, OPERS contributions and reports were due on July 1, 2019; however, the Cemetery did not report or remit contributions until July 2, 2019. The Cemetery incurred \$2.90 in penalties for not remitting contributions on a timely-basis. The Cemetery should remit contributions to OPERS no later than 30 days after the reporting period to avoid incurring a late fee, which may not be considered a proper public purpose.

5. **Ohio Rev. Code § 149.43(E)(2)** states all 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 Cemetery does not have a public records policy in place.

The Cemetery shall create and formally adopt a Public Records Policy and complete the aforementioned requirements.

6. **Ohio Rev. Code § 149.43(B)(2)** requires a public office also to have available a copy of its current records retention schedule at a location readily available to the public. The Cemetery does not have a current records retention schedule readily available to the public.

The Cemetery shall create a records retention schedule and make it readily available for the public to view.

7. **Ohio Rev. Code § 5705.36** indicates on or about the first day of each fiscal year, the fiscal officer of each subdivision and other taxing units shall certify to the county auditor the total amount from all sources available for expenditures from each fund set up in the tax budget or, if adoption of a tax budget was waived under section 5705.281 of the Revised Code, from each fund created by or on behalf of the taxing authority. The amount certified shall include any unencumbered balances that existed at the end of the preceding year.

As of January 1, 2019, the Cemetery certified \$29,603 in unencumbered fund balances in the General Fund and Capital Projects Fund to the county auditor; however, the beginning unencumbered fund balance per the Cemetery records was only \$22,640. The Cemetery should ensure accurate unencumbered fund balances are being reported to the county auditor each year, and if necessary, amend their Official Certificate of Estimated Resources.

8. **Ohio Rev. Code § 5705.41(B)** indicates actual expenditures shall not exceed appropriations.

At December 31, 2019, actual expenditures exceeded appropriations by \$12,986. The Cemetery should ensure expenditures are within the amount appropriated to avoid over spending, potentially incurring negative fund balances and spending in excess of the Board's intention.



Keith Faber
Auditor of State
Columbus, Ohio

August 1, 2022

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WELLINGTON UNION CEMETERY

LORAIN 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 8/16/2022

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