



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

West Elkton Gratis Township Fire District
Preble County
P.O. Box 151
125 North Main Street
West Elkton, Ohio 45070

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the West Elkton Gratis Township Fire District, Preble County, (the Fire District) for the years ended December 31, 2021 and 2020.

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 Fire District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Fire District's financial statements, transactions or balances for the years ended December 31, 2021 and 2020.

The Fire District'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. **Ohio Rev. Code § 117.38** requires entities to file their annual financial information in the HINKLE system within 60 days after the close of the fiscal year. The financial statements for the year ended December 31, 2021 were filed on August 14, 2022 with a due date of March 1, 2022. The financial statements for the year ended December 31, 2020 were filed on September 8, 2021 with a due date of March 1, 2021.
2. The Fire District did not establish a credit card policy to govern the use of its credit card. House Bill 312 (132 GA) requires political subdivisions (not including counties or colleges/universities) to follow procedures for the use of credit card accounts, including adopting a policy, conducting a periodic review, and in some cases providing itemized receipts to the political subdivision. The statute establishes two separate internal control models for credit card usage by political subdivisions: the custody and control model and the compliance officer model. Not later than February 2, 2019, the legislative authority of a political subdivision that holds a credit card account must adopt one of these written policies for the use of credit card accounts. Failure to adopt a credit card policy may result in the misuse of credit cards and the misappropriation of funds. The Fire District should adopt a credit card policy.
3. The Fire District does not have a public records policy as required by Ohio Rev. Code § 149.43(E)(2). **Ohio Rev. Code § 149.43(E)(2)** provides that every public office must have a policy in place for responding to public records requests. Generally, a public records policy cannot: (1) limit the number of public records the office will make available to a single person; (2) limit the number of public records the office will make available during a fixed period of time; and (3)

establish a fixed period of time before the office will respond to a request for inspection/copying of public records unless that period is less than eight hours. However, pursuant to **Ohio Rev. Code § 149.43(B)(7)(c)(i)**, the policy may limit the number of public records the public office will physically deliver by U.S. Mail or other delivery service to ten per month unless the person certifies to the office in writing that the person does not intend to use or forward the requested records, or the information contained in them, for commercial purposes. Regarding this, the term “commercial” is to be narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research. Failure to have a public records policy could result in violation of Sunshine Laws. The Fire District should adopt a public records policy.

4. The Fire District did not fulfil a public records request made in 2021. Although the Fire District initially provided some requested items, it was confirmed that the Fire District did not follow-up and fulfil the additional items of the request as the Fire District’s response indicated that it would to validly fulfil the request. Further, no explanation or denial of the remaining items was indicated by the Fire District to the requester. **Ohio Rev. Code §149.43(B)(1)** states that all public records responsive to the request shall be promptly prepared and made available for inspection to any person at all reasonable times during regular business hours. Failure to provide all information requested could result in a violation of the Sunshine Laws. The Fire District should maintain evidence all public records request are properly fulfilled and assure compliance with Ohio Rev. Code §149.43.
5. The Fire District did not have an adopted/approved records retention schedule/policy. **Ohio Rev. Code § 149.43(B)(2)** requires a public office or the person responsible for public records shall organize and maintain public records in a manner that they can be made available for inspection or copying. Failure to have a records retention policy could result in violation of the Sunshine Laws. A public office also shall have available a copy of its current records retention schedule at a location readily available to the public. The Fire District should implement procedures to ensure that appropriate records retention schedules/policies are properly established and adopted/approved. Failure to do so could result in a violation of Sunshine laws.
6. We noted that the Fire District did not utilize purchase orders, blanket certificates, or then and now certificates on expenditures. **Ohio Rev. Code § 5705.41(D)(1)**, prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. Failure to properly certify the availability of funds can result in overspending of funds and negative cash fund balances. The Fire District should utilize certifications of availability of funds.
7. The Fire District could not locate the Board minutes for the January 2020, February 2020 and February 2021 meetings. **Ohio Rev. Code § 121.22(C)** requires that the minutes of a regular or special meeting of any public body shall be promptly prepared, filed, and maintained and shall be open to public inspection. Failure to retain the minutes will result in an incomplete audit trail. The Fire District should implement procedures to ensure all minutes are maintained and open to public inspection.
8. One of the Board members for the Fire District was also a Gratis Township Trustee. Pursuant to 1981 OAG 027, the Fire District may enter into a contract with Gratis Township for the provision of fire services within the Township but the Township trustees who are the members, but not a majority, of the Fire District board of trustees should recuse themselves from future consideration, deliberation, and voting on future contracts or extensions of contracts.

Current Status of Matters Reported in our Prior Engagement

Our prior audit for the years ended December 31, 2019 and 2018 included seven observations. Observation #2 (total appropriations exceeding estimated resources available for expenditures) was corrected during the current audit period. Observation #1 (timely filing in the Hinkle System), #3 (credit card policy), #4 (public records policy), #5 (records retention policy), #6 (utilization of purchase orders), and #7 (fire contract matter with Gratis Township) were not corrected during the current audit period and are repeated as current year observations #1, #2, #3, #5, #6 and #8 above.



Keith Faber
Auditor of State
Columbus, Ohio

November 21, 2022

OHIO AUDITOR OF STATE KEITH FABER



**WEST ELKTON GRATIS TOWNSHIP FIRE DISTRICT
PREBLE 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 12/6/2022

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This report is a matter of public record and is available online at
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