



OHIO AUDITOR OF STATE
KEITH FABER





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BASIC AUDIT REPORT

Ada Area Community Improvement Corporation
Hardin County
115 West Buckeye Ave.
P.O. Box 202
Ada, Ohio 45810

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Ada Area Community Improvement Corporation, Hardin County, (the Corporation) for the years ended December 31, 2024 and 2023.

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 Corporation's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Corporation's financial statements, transactions or balances for the years ended December 31, 2024 and 2023.

The Corporation'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. We noted the Corporation did not have an established records retention schedule or have copies of it available at a location readily available to the public. **Ohio Rev. Code § 149.43(B)(2)** provides that 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 and that public offices shall have available a copy of their current records retention schedule at a location readily available to the public. The Corporation should appropriately establish and approve/adopt a records retention schedule and have the records retention schedule at a location readily available to the public.

Failure to have and follow a records retention schedule could result in public records being disposed of prematurely or cause undue delay in processing records requests. The prior basic audit also reported this noncompliance issue.

2. We noted the Corporation did not have an approved public records policy. **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.

Current Year Observations (Continued)

However, pursuant to **Ohio Rev. Code § 149.43(B)(7)(c)**, 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. "Commercial" is 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.

Ohio Rev. Code § 149.43(E)(2) further requires all public offices take certain actions with regard to their public record policy. Public offices must distribute their Public Records Policy to the employee who is the records custodian/manager or otherwise has custody of the records of that office and have that employee acknowledge receipt of the Public Records Policy; create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy; and, if the public office has a manual or handbook of its general policies and procedures for all employees, include the public records policy in that manual or handbook.

The Corporation has no formal written policy that would demonstrate compliance with the Ohio Revised Code. This could result in records requests not being fulfilled in accordance with Ohio law.

The Corporation should establish a public records policy. The policy should be distributed to the records custodian/manager and the Corporation should have a written acknowledgement of receipt from the records custodian/manager. In addition, a poster describing the public records policy should be conspicuously displayed in all of the Corporation's branch offices and the public records policy should be included in policy manuals or handbooks if any exist. The prior basic audit also reported this noncompliance issue.

3. We noted the Corporation failed to file its 2023 annual financial report with the Auditor of State by the required date and the statements did not conform to generally accepted accounting principles. **Ohio Rev. Code § 1724.05** provides, in part, that the Corporation shall prepare an annual financial report according to generally accepted accounting principles (GAAP) and shall be filed with the auditor of state within one hundred twenty days following the last day of the corporation's fiscal year, unless the Auditor of State extends that deadline.

The Corporation's December 31, 2023 annual financial report due April 29, 2024 was not filed with the Auditor of State until May 2, 2024. Additionally, Management's Discussion and Analysis and the Notes to the Financial Statements implied the financial statements were prepared according to Generally Accepted Accounting Principles (GAAP), including mention that the financial statements included a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flow; however, the financial statements were not labeled according to these descriptions, did not include GAAP line item and balance terminology, and did not include a statement of cash flows. Failure to file a complete annual financial report by the established deadline, without an extension, could result in the assessment of penalties against the Corporation.

The Corporation should establish and implement procedures to verify its annual financial report is filed with the Auditor of State by the required deadline. If the Corporation is unable to meet the deadline, the Corporation should file an extension request through the Auditor of State. Additionally, the Corporation should also implement procedures to verify the required financial statements are presented in its annual financial report. The prior basic audit also reported this noncompliance issue.

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KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L. Ridenbaugh". The signature is written in a cursive, flowing style.

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

August 20, 2025

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OHIO AUDITOR OF STATE KEITH FABER



ADA AREA COMMUNITY IMPROVEMENT CORPORATION

HARDIN 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 9/2/2025

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