



OHIO AUDITOR OF STATE KEITH FABER



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BASIC AUDIT REPORT

Pleasant Township
Madison County
84 North London Street
Mt. Sterling, Ohio 43143

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Pleasant Township, Madison County, (the Township) 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 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, 2024, and 2023.

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 Section 117.38 requires Townships to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. The Township's December 31, 2024, annual financial report, due by March 3, 2025, was not filed with the Auditor of State until August 18, 2025. Failure to file a complete report by the established deadline, without an extension, could result in the assessment of penalties against the Township. The Township should implement procedures to verify its annual financial report is filed with the Auditor of State by the required deadline. If the Township is unable to meet the deadline, the Township should file an extension request through the Auditor of State.
2. **Ohio Rev. Code § 149.43(E)(2)** provides that 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. We noted the Township failed to include its Public Records Policy in its policy manual. Failure to do so could result in the violation of Sunshine Laws.

3. We examined the bank reconciliations prepared as of December 31, 2024 and December 31, 2023. During our review of the December 31, 2024 reconciliation, we noted the following variances:

Description of Variance	Amount (\$)
Bank fees not recorded in accounting system	83.83
Property tax fees incorrectly reported as receipts	3,985.85
FY 2023 expenses reported twice	511.46
FY 2024 payroll expenses not recorded in accounting system	1,133.77
FY 2023 uncleared checks omitted from FY 2024 reconciliation	444.27
Cleared 2024 checks reported as outstanding	180,410.34
Cleared 2024 receipts reported as deposits in transit	192,403.86
Incorrect beginning balance	12,242.00
Receipts marked as cleared but actually outstanding at year end	219.80
April receipts not recorded in accounting system	3,030.01
August receipts not recorded in accounting system	723.80
September receipts not recorded in accounting system	3,015.04
Interest receipts not recorded in accounting system	3,072.81
Net Difference (Bank higher than Book)	148.90

Additionally, we noted the Township failed to perform monthly bank reconciliations during 2025. Only one reconciliation, prepared in August 2025 by the Fiscal Officer, was provided for review, which disclosed many of the same errors identified above.

Reconciling cash is a critical control designed to ensure all transactions are recorded accurately and in the proper accounting period. Unidentified differences between the bank and book balances can result in inaccurate fund cash balances and may lead to deficit spending. The Fiscal Officer should review transactions recorded since the last reconciliation, identify the source of each variance, and make the necessary corrections to the accounting system to ensure the Township's accounting records are complete and accurate.

Due to the Township's small size, active governing board involvement in key accounting processes such as bank reconciliations, is necessary to compensate for limited segregation of duties. The absence of these oversight procedures increases the risk of misstated cash balances or undetected errors and irregularities.

KEITH FABER
Ohio Auditor of State



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

October 24, 2025

OHIO AUDITOR OF STATE KEITH FABER



PLEASANT TOWNSHIP

MADISON 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 11/6/2025

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