



**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2001-2000**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

Madison Township  
Columbiana County  
15996 State Route 45  
Wellsville, Ohio 43968

To the Board of Trustees:

We have audited the accompanying financial statements of Madison Township (the Township) as of and for the years ended December 31, 2001 and 2000. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Township as of December 31, 2001 and 2000, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2002 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of management, the Board and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

March 12, 2002

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**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$36,327	\$197,888	\$10,000	\$244,215
Intergovernmental Receipts	42,718	92,829		135,547
Fines, Forfeitures, and Penalties	41			41
Earnings on Investments	3,361	993		4,354
Other Revenue	11,434	25,732	3,823	40,989
<b>Total Cash Receipts</b>	<u>93,881</u>	<u>317,442</u>	<u>13,823</u>	<u>425,146</u>
<b>Cash Disbursements:</b>				
Current:				
Public Safety		1,330		1,330
Health	2,739			2,739
Public Works		265,395		265,395
General Government	106,368	69,738	3,130	179,236
Debt Service:				
Redemption of Principal			8,000	8,000
Interest and Fiscal Charges			811	811
Capital Outlay	3,477			3,477
<b>Total Cash Disbursements</b>	<u>112,584</u>	<u>336,463</u>	<u>11,941</u>	<u>460,988</u>
<b>Total Receipts Over/(Under) Disbursements</b>	<u>(18,703)</u>	<u>(19,021)</u>	<u>1,882</u>	<u>(35,842)</u>
<b>Other Financing Receipts:</b>				
Sale of Bonds or Notes		900		900
<b>Total Other Financing Receipts</b>		<u>900</u>		<u>900</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<u>(18,703)</u>	<u>(18,121)</u>	<u>1,882</u>	<u>(34,942)</u>
<b>Fund Cash Balances, January 1</b>	<u>68,704</u>	<u>106,893</u>	<u>43</u>	<u>175,640</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$50,001</b></u>	<u><b>\$88,772</b></u>	<u><b>\$1,925</b></u>	<u><b>\$140,698</b></u>

*The notes to the financial statements are an integral part of this statement.*

MADISON TOWNSHIP  
COLUMBIANA COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2001

	<u>Fiduciary Fund Type</u>
	<u>Nonexpendable Trust</u>
<b>Operating Cash Receipts:</b>	
Earnings on Investment	<u>\$347</u>
Total Operating Cash Receipts	<u>347</u>
Net Receipts Over/(Under) Disbursements	347
Fund Cash Balances, January 1	<u>4,037</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$4,384</u></u>

*The notes to the financial statements are an integral part of this statement.*

**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Local Taxes	\$35,670	\$182,897	\$21,274	\$239,841
Intergovernmental Receipts	61,810	91,290		153,100
Fines, Forfeitures, and Penalties	13			13
Earnings on Investments	4,956	1,326		6,282
Other Revenue	2,563	18,598		21,161
	<u>105,012</u>	<u>294,111</u>	<u>21,274</u>	<u>420,397</u>
<b>Cash Disbursements:</b>				
Current:				
Public Safety		1,294		1,294
Health	4,929			4,929
Public Works		218,375		218,375
General Government	98,304	76,000		174,304
Debt Service:				
Redemption of Principal			20,541	20,541
Interest and Fiscal Charges			1,970	1,970
Capital Outlay	423			423
	<u>103,656</u>	<u>295,669</u>	<u>22,511</u>	<u>421,836</u>
Total Receipts Over/(Under) Disbursements	<u>1,356</u>	<u>(1,558)</u>	<u>(1,237)</u>	<u>(1,439)</u>
Fund Cash Balances January 1	<u>67,348</u>	<u>108,451</u>	<u>1,280</u>	<u>177,079</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$68,704</u></b>	<b><u>\$106,893</u></b>	<b><u>\$43</u></b>	<b><u>\$175,640</u></b>

*The notes to the financial statements are an integral part of this statement.*

MADISON TOWNSHIP  
COLUMBIANA COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Fiduciary Fund Type</u>
	<u>Nonexpendable Trust</u>
<b>Operating Cash Receipts:</b>	
Earnings on Investments	<u>\$237</u>
Total Operating Cash Receipts	<u>237</u>
Net Receipts Over/(Under) Disbursements	237
Fund Cash Balances, January 1	<u>3,800</u>
<b>Fund Cash Balances, December 31</b>	<u><u>\$4,037</u></u>

*The notes to the financial statements are an integral part of this statement.*

**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Madison Township, Columbiana County, (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides road and bridge maintenance, cemetery maintenance, and fire protection. The Township contracts with the West Point Fire Department to provide fire services.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

Investments are included in fund cash balances. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Money market mutual funds (including STAR Ohio) are recorded at share values reported by the mutual fund.

**D. Fund Accounting**

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

**1. General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Road and Bridge Fund* - This fund receives property tax money to construct, maintain and repair Township roads and bridges.

*Road District Fund* - This fund receives tax money to construct, maintain and repair Township roads.

*Fire Levy Fund*- This fund receives tax money to finance the Township Fire Safety Coverage.

**3. Debt Service Funds**

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. The Township had the following significant Debt Service Fund:

*General Bond (Note) Retirement Fund*- This fund receives money to finance the Township's general obligation debt.

**4. Fiduciary Funds (Trust Funds)**

These funds are used to account for resources restricted by legally binding trust agreements. The Township had the following significant fiduciary fund:

*Cemetery Bequest Fund*: This Fund receives money to maintain and repair the Township Cemeteries.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Township did not encumber all commitments required by Ohio law.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's basis of accounting.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Township maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2001</u>	<u>2000</u>
Demand deposits	\$103,576	\$127,033
STAR Ohio	<u>41,506</u>	<u>52,644</u>
Total deposits and investments	<u><u>\$145,082</u></u>	<u><u>\$179,677</u></u>

**Deposits:** Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by securities specifically pledged by the financial institution to the Township.

**Investments:** Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ended 2001 and 2000 follows:

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$146,138	\$93,881	(\$52,257)
Special Revenue	381,679	318,342	(63,337)
Debt Service	26,963	13,823	(13,140)
Fiduciary	306	347	41
Total	\$555,086	\$426,393	(\$128,693)

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$0	\$112,584	(\$112,584)
Special Revenue		336,463	(336,463)
Debt Service		11,941	(11,941)
Fiduciary		0	0
Total	\$0	\$460,988	(\$460,988)

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$68,645	\$105,012	\$36,367
Special Revenue	291,120	294,111	2,991
Debt Service	24,766	21,274	(3,492)
Fiduciary		237	237
Total	\$384,531	\$420,634	\$36,103

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$76,700	\$103,656	(\$26,956)
Special Revenue	75,000	295,669	(220,669)
Debt Service	0	22,511	(22,511)
Fiduciary	0	0	0
Total	\$151,700	\$421,836	(\$270,136)

The Board of Township Trustees did not pass the permanent appropriation resolutions for the years of 2000 and 2001, per Ohio Revised Code (ORC) Section 5705.38. Thus, the Clerk's certifications made during 2000 and 2001 per ORC Section 5705.41(D) are not valid and expenditures exceeded appropriations in all Township funds per ORC Section 5705.41(B). Also, the 2001 tax budget was not approved by the Board of Trustees as required by ORC Section 5705.28.

**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

**5. DEBT**

Debt outstanding at December 31, 2001 was as follows:

	Principal	Interest Rate
General Obligation Notes	\$8,000	5%

The general obligation note was issued to finance the purchase of a new backhoe to be used for Township road maintenance. The note is collateralized solely by the Township's taxing authority.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	General Obligation Notes
2002	\$8,406

**6. RETIREMENT SYSTEMS**

Other employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is cost-sharing, multiple-employer plans. This plan provides retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced the employer contribution rate to 8.13% effective July 1, 2000 through December 31, 2000. The Township has paid all contributions required through December 31, 2001.

**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**7. RISK MANAGEMENT**

**Risk Pool Membership**

The Township is a member of the Ohio Township Risk Management Authority (OTARMA), a risk sharing pool available to Ohio townships (the Pool). The Pool assumes the risk of loss up to the limits of Madison Township's policy. The Pool covers the following risks:

- General liability and casualty;
- Public official's liability; and
- Vehicle.

The Pool reported the following summary of assets and liabilities available to pay casualty and property coverage as of December 31:

	<u>2000 *</u>	<u>1999 *</u>
Cash and investments	\$26,841,167	\$21,716,659
Liabilities	\$9,422,808	\$6,621,765

\* - The latest information available at this time.

**8. CONTINGENT LIABILITIES**

The Township is one of several Townships named in a Board of Tax Appeal Case. The case deals with the alternate formula for distribution of local government tax monies. Although the outcome of this case is not presently determinable, counsel believes that the resolution of this matter will not materially adversely affect the Township's financial condition.



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Madison Township  
Columbiana County  
15996 State Route 45  
Wellsville, OH 43968

To the Board of Trustees:

We have audited the accompanying financial statements of Madison Township (the Township) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated March 12, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2001-41215-001 through 2001-41215-004. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated March 12, 2002.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Township in a separate letter dated March 12, 2002.

Madison Township  
Columbiana County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

This report is intended solely for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

March 12, 2002

**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2001 AND 2000**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

**FINDING NUMBER 2001-41215-001**

**Noncompliance Citation**

Ohio Revised Code §5705.38 states that "On or about the first day of each fiscal year, an appropriation measure is to be passed. If the taxing authority wants to postpone the passage of the annual appropriation measure until an amended certificate is received from the county budget commission based upon the actual year end balances, it may pass a temporary appropriation measure for meeting the ordinary expenses until April 1."

The Board of Township Trustees Record of Proceedings (Minutes) for January 4, 2000 and December 29, 2000 reflect approval for the Clerk to set-up temporary appropriations in the amount of \$150,000 for 2000 and 2001, respectively. However, the Minutes did not reflect that the Board of Trustees authorized temporary appropriation amounts by fund or account, nor did the Township provide documentation to support that the Board of Trustees approved specific temporary appropriation amounts. Also, The Board of Township Trustees did not adopt annual appropriation measures nor take any further action concerning appropriations for 2000 and 2001. Therefore, the Township did not effectively adopt appropriations for 2000 and 2001.

**FINDING NUMBER 2001-41215-002**

**Noncompliance Citation**

Ohio Revised Code §5705.41(B) states that "no subdivision or taxing unit is to expend money unless it has been appropriated."

As discussed in finding 2001-41215-001, the Township did not approve permanent appropriations for fiscal years 2000 and 2001, therefore, expenditures exceeded appropriations in all of the Township's funds.

**FINDING NUMBER 2001-41215-003**

**Noncompliance Citation**

Ohio Revised Code §5705.41(D) states that no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance. The amount so certified shall be recorded against the applicable appropriation account.

This section also provides two exceptions to the above requirements:

- A. Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the Township may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate, if such expenditure is otherwise valid.

**FINDING NUMBER 2001-41215-003**  
(Continued)

- B. If the amount involved is less than one thousand dollars the fiscal officer issues a certificate, but may authorize it to be paid without the affirmation of the Trustees.

During testing, we noted 27 instances out of 60 in which the obligation was incurred prior to the fiscal officer's certification (included on the purchase order).

**FINDING NUMBER 2001-41215-004**

**Noncompliance Citation**

Ohio Revised Code § 5705.28 states that "On or before July 15, in each year, the taxing authority of each subdivision or other taxing unit is required to adopt a tax budget for the next succeeding fiscal year. "

The Minutes of The Board of Trustees meetings do not reflect that the Board approved the tax budget for 2001.

**MADISON TOWNSHIP  
COLUMBIANA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2001 and 2000**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain:</b>
1999-41215-001	5705.38 Failure to Appropriate	No	This has not been corrected and will be repeated. See finding # 2001-41215-001
1999-41215-002	5705.41(D) fiscal officer certification	No	This has not been corrected and will be repeated. See finding # 2001-41215-003.
1999-41215-003	Lack of Segregation of Duties	Yes	Trustees approve PO's, bills to be paid and bank reconciliations. This will not be repeated.





STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

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**MADISON TOWNSHIP**  
**COLUMBIANA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
APRIL 2, 2002**