



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**PULTNEY TOWNSHIP
BELMONT COUNTY**

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

743 East State Street
Athens Mall, Suite B
Athens, Ohio 45701
Telephone 740-594-3300
800-441-1389
Facsimile 740-594-2110
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Pultney Township
Belmont County
56420 High Ridge Road
Bellaire, Ohio 43906

To the Board of Trustees:

We have audited the accompanying financial statements of Pultney Township, Belmont County, Ohio (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 Pultney Township, Belmont County, 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 May 13, 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 of Trustees and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

May 13, 2002

PULTNEY TOWNSHIP
BELMONT COUNTY

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

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Fiduciary Funds</u>	
Cash Receipts:					
Local Taxes	\$7,001	\$221,019	\$	\$	\$228,020
Intergovernmental	114,516	93,638			208,154
Earnings on Investments	3,457	1,152		631	5,240
Other Revenue	3,778	2,894			6,672
Total Cash Receipts	<u>128,752</u>	<u>318,703</u>	<u>0</u>	<u>631</u>	<u>448,086</u>
Cash Disbursements:					
Current:					
General Government	90,587	130,545			221,132
Public Works		218,829			218,829
Health	15,359				15,359
Debt Service:					
Redemption of Principal	10,713				10,713
Interest and Fiscal Charges	2,089				2,089
Total Cash Disbursements	<u>118,748</u>	<u>349,374</u>	<u>0</u>	<u>0</u>	<u>468,122</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>10,004</u>	<u>(30,671)</u>	<u>0</u>	<u>631</u>	<u>(20,036)</u>
Fund Cash Balances, January 1	<u>108,182</u>	<u>269,850</u>	<u>14</u>	<u>20,186</u>	<u>398,232</u>
Fund Cash Balances, December 31	<u>\$118,186</u>	<u>\$239,179</u>	<u>\$14</u>	<u>\$20,817</u>	<u>\$378,196</u>

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

PULTNEY TOWNSHIP
BELMONT COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES
IN FUND CASH BALANCE
AGENCY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2001

	<u>Agency</u>
Operating Cash Receipts:	
Other	<u>\$2,500</u>
Total Operating Cash Receipts	<u>2,500</u>
Operating Cash Disbursements:	
Other	<u>2,500</u>
Total Operating Cash Disbursements	<u>2,500</u>
Net Receipts Over Disbursements	<u>0</u>
Fund Cash Balance, January 1	<u>5,500</u>
Fund Cash Balance, December 31	<u><u>\$5,500</u></u>

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

**PULTNEY TOWNSHIP
BELMONT COUNTY**

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

	<u>Governmental Fund Types</u>					Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Fiduciary Funds</u>	
Cash Receipts:						
Local Taxes	\$6,095	\$202,678	\$	\$	\$	\$208,773
Intergovernmental	84,890	92,484		21,134		198,508
Earnings on Investments	4,506	1,502			568	6,576
Other Revenue	5,073	8,813				13,886
Total Cash Receipts	<u>100,564</u>	<u>305,477</u>	<u>0</u>	<u>21,134</u>	<u>568</u>	<u>427,743</u>
Cash Disbursements:						
Current:						
General Government	94,909	128,576				223,485
Public Works		132,527				132,527
Health	13,903					13,903
Debt Service:						
Redemption of Principal	7,610					7,610
Interest and Fiscal Charges	1,992					1,992
Capital Outlay	54,530	1,864		21,134		77,528
Total Cash Disbursements	<u>172,944</u>	<u>262,967</u>	<u>0</u>	<u>21,134</u>	<u>0</u>	<u>457,045</u>
Total Cash Receipts						
Over/(Under) Cash Disbursements	<u>(72,380)</u>	<u>42,510</u>	<u>0</u>	<u>0</u>	<u>568</u>	<u>(29,302)</u>
Other Financing Receipts:						
Proceeds from Sale of Public Debt:						
Other Proceeds from Sale of Public Debt	45,000					45,000
Total Other Financing Receipts	<u>45,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>45,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	<u>(27,380)</u>	<u>42,510</u>	<u>0</u>	<u>0</u>	<u>568</u>	<u>15,698</u>
Fund Cash Balances, January 1	<u>135,562</u>	<u>227,340</u>	<u>14</u>	<u>0</u>	<u>19,618</u>	<u>382,534</u>
Fund Cash Balances, December 31	<u>\$108,182</u>	<u>\$269,850</u>	<u>\$14</u>	<u>\$0</u>	<u>\$20,186</u>	<u>\$398,232</u>

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

PULTNEY TOWNSHIP
BELMONT COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
AGENCY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Agency</u>
Operating Cash Receipts:	
Other	<u>\$2,000</u>
Total Operating Cash Receipts	<u>2,000</u>
Operating Cash Disbursements:	
Other	<u>4,000</u>
Total Operating Cash Disbursements	<u>4,000</u>
Net Receipts (Under) Disbursements	<u>(2,000)</u>
Fund Cash Balance, January 1	<u>7,500</u>
Fund Cash Balance, December 31	<u><u>\$5,500</u></u>

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

**PULTNEY TOWNSHIP
BELMONT COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Pultney Township, Belmont County, Ohio (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, fire protection and emergency medical services. The Township contracts with the Neffs Volunteer Fire Department, Rock Hill Volunteer Fire Department, and Spirit of 76 Volunteer Fire Department to provide fire services and ambulance 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 reported as assets. 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.

Donated common stock is valued at fair value when donated.

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.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

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:

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining and repairing Township roads and bridges.

Gasoline Tax Fund - This fund receives gasoline tax money for constructing, maintaining and repairing Township roads.

Fire Levy Fund - This fund receives property tax revenues to provide fire protection and ambulance services to Township residents.

3. Debt Service Fund

This debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. The Township's financial statements reflect the remaining balance of the General Bond (Note) Retirement Fund.

4. Capital Projects Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Projects Fund:

Issue II Fund - The Township received a grant from Belmont County to pave a Township road.

5. Fiduciary Funds (Trust and Agency Funds)

These funds are used to account for resources restricted by legally binding trust agreements and funds for which the Township is acting in an agency capacity. The Township had the following significant Fiduciary Funds:

Cemetery Bequest Fund - This fund receives interest used for the permanent care and decoration of graves of the cemeteries.

Logging Bond Fund - This fund receives bonds from various logging companies which are held to insure appropriate repairs are made to Township roads when logging activities have ceased.

E. Budgetary Process

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

**PULTNEY TOWNSHIP
BELMONT COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object 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.

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 investments 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:

**PULTNEY TOWNSHIP
BELMONT COUNTY**

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

2. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

	2001	2000
Demand deposits	\$381,716	\$401,752
Total deposits	381,716	401,752
Common stock (fair value was \$1,980 at December 31, 2001 and 2000, respectively.)	1,980	1,980
Total investments	1,980	1,980
Total deposits and investments	\$383,696	\$403,732

Deposits: Deposits are either (1) insured by the Federal Deposit Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

Investments: CSX Stock is held in certificate form in the custody of the Township.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2001 and 2000, follows:

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$81,014	\$128,752	\$47,738
Special Revenue	325,400	318,703	(6,697)
Fiduciary	955	3,131	2,176
Total	\$407,369	\$450,586	\$43,217

2001 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$189,197	\$118,748	\$70,449
Special Revenue	595,250	349,374	245,876
Debt Service	14	0	14
Fiduciary	26,641	2,500	24,141
Total	\$811,102	\$470,622	\$340,480

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$82,747	\$145,564	\$62,817
Special Revenue	325,008	305,477	(19,531)
Capital Projects	0	21,134	21,134
Fiduciary	0	2,568	2,568
Total	\$407,755	\$474,743	\$66,988

**PULTNEY TOWNSHIP
BELMONT COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$218,309	\$172,944	\$45,365
Special Revenue	552,348	262,967	289,381
Debt Service	14	0	14
Capital Projects	0	21,134	(21,134)
Fiduciary	27,118	4,000	23,118
Total	\$797,789	\$461,045	\$336,744

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Issue II Fund by \$21,134 for the year ended December 31, 2000.

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by 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 May 13.

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
Lease Purchase Agreement	\$26,677	6%
Total	\$26,677	

The lease purchase agreement was issued in March 2000, for the lease/purchase of a new loader/backhoe. The lease is collateralized by the loader/backhoe.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

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

5. DEBT (Continued)

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

Year ending December 31:	<u>Lease Purchase Agreement</u>
2002	\$12,802
2003	12,802
2004	<u>3,201</u>
Total	<u><u>\$28,805</u></u>

6. RETIREMENT SYSTEMS

The Township's employees, as well as the Clerk and Trustees, belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement 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.

7. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

The Township also provides health insurance coverage to elected officials and full-time employees through a private carrier.



**STATE OF OHIO
OFFICE OF THE AUDITOR**

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743 East State Street
Athens Mall, Suite B
Athens, Ohio 45701
Telephone 740-594-3300
800-441-1389
Facsimile 740-594-2110
www.auditor.state.oh.us

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

Pultney Township
Belmont County
56420 High Ridge Road
Bellaire, Ohio 43906

To the Board of Trustees:

We have audited the accompanying financial statements of Pultney Township, Belmont County, Ohio (the Township), as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated May 13, 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 2001-41007-001 and 2001-41007-002. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated May 13, 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying Schedule of Findings as item 2001-41007-003.

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. 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 reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also 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 May 13, 2002.

This report is intended 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.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

May 13, 2002

**PULTNEY TOWNSHIP
BELMONT 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 2001-41007-001

Noncompliance Citation

Ohio Rev. Code Section 5705.09 states that each subdivision is required to establish a special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose.

Also, Auditor of State Management Advisory Services (MAS) Bulletin 89-17 requires all local governments participating in Issue II projects through the Ohio Public Works Commission to establish an Issue II, Capital Projects Fund, to account for Issue II monies anticipated to be received. The fund appropriations should also include the amount necessary to meet the obligations to be incurred during the fiscal year.

The Township received/expended Issue II monies in the amount of \$21,134 and did not establish an Issue II, Capital Projects Fund, to account for these receipts and expenditures nor did they obtain an amended certificate and a supplemental appropriation, pursuant to Ohio Rev. Code Sections 5705.36 and 5705.40. This caused the Township's 2000 Capital Projects Fund receipts and expenditures to be understated by the amount of the Issue II funds. The audited financial statements were adjusted to reflect Issue II receipts and expenditures.

Ohio Rev. Code Section 5705.41(B) prohibits a subdivision from making an expenditure unless it has been properly appropriated.

For the year ended December 31, 2000, the Township's Issue II Fund had expenditures which exceeded appropriations by \$21,134.

We recommend the Township establish an Issue II, Capital Projects Fund, to account for Issue II monies and to obtain an amended certificate and supplemental appropriations for the same. The Clerk should refer to Auditor of State MAS Bulletin 89-17 and Auditor of State Bulletin 2000-08 for additional guidance in accounting for on-behalf-of grants with the County or State.

FINDING NUMBER 2001-41007-002

Noncompliance Citation

Ohio Rev. Code Section 5705.41(D) states that no subdivision or taxing unit shall make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. Every such contract made without such a certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon. This section also provides two "exceptions" to the above requirements:

- A. Then and Now Certificates - This exception provides that, if the fiscal officer can certify that both at the time the contract or order was made and at the time that he/she is completing his/her certification, sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any encumbrance, the taxing authority can authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance. If approval is not made within 30 days, there is no legal liability on the part of the subdivision or taxing district.

**PULTNEY TOWNSHIP
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2001 AND 2000
(Continued)**

<p>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</p>

FINDING NUMBER 2001-41007-002 (Continued)

Noncompliance Citation – Ohio Rev. Code Section 5705.41(D)(Continued)

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

All of the obligations paid by the Township had a statement attached indicating the purchase was lawfully appropriated or in the process of collection to the credit of the appropriate fund, free from any previous encumbrance. This certification was not always prior to incurring the obligation for 35% of transactions tested.

We recommend the Township ensure that all expenditures are properly encumbered at the time the obligation is incurred.

FINDING NUMBER 2001-41007-003

Reportable Condition - Posting Estimated Receipts

Estimated receipts as approved by the County Budget Commission should be entered into the Township's computer system.

Estimated receipts reflected on the Township's budgetary statements did not reflect the amounts on the official amended certificate as approved by the County Budget Commission. This caused estimated receipts to be misstated, resulting in audit adjustments to the budgetary schedules presented in the notes to the financial statements, and did not provide management with an accurate monitoring tool throughout the year.

We recommend the Township Clerk post estimated receipts as approved by the County Budget Commission to the computer system.

**PULTNEY TOWNSHIP
BELMONT 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; <i>Explain:</i>
1999-41007-001	The Township had appropriations which exceeded estimated revenue contrary to Ohio Rev. Code Section 5705.39.	Yes	Not Applicable
1999-41007-002	The Township did not post receipts to the proper fund designation contrary to Ohio Rev. Code Section 5705.10.	Yes	Not Applicable



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

PULTNEY TOWNSHIP

BELMONT 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
JULY 2, 2002**