



OHIO AUDITOR OF STATE
KEITH FABER



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Northfield Macedonia Union Cemetery
Summit County
P.O. Box 670177
Northfield, Ohio 44067

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Northfield Macedonia Union Cemetery, Summit County, (the Cemetery) for the years ended December 31, 2019 and 2018.

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 Cemetery's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Cemetery's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

The Cemetery'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. The December 31, 2019 bank to book reconciliation improperly included a reconciling item of \$1,704 which was not actually paid by the Cemetery during fiscal year 2019. This transaction remained a reconciling item through August 2019 until identified under audit. The transaction was recorded as a placeholder for an amount owed to a Cemetery employee which was paid in January 2020. Because the amount was not paid until 2020, this transaction should be eliminated from the general ledger as a payroll expense at December 31, 2019. In addition, interest earned in November 2019 totaling \$122 was not recorded to the general ledger as of December 31, 2019.

Reconciling cash is a critical control in assuring transactions are posted accurately and in the proper accounting period. The Cemetery should only record transactions to the general ledger for amounts actually paid by the Cemetery and should timely record interest earnings.

The Cemetery's small size requires governing board involvement with critical accounting processes (such as bank reconciliation) to compensate for the inability to segregate these duties. The Board of Trustees should carefully review and continue to approve of monthly bank reconciliations prepared by the Fiscal Officer.

2. The Cemetery properly remitted the total withholding of \$146 to the State of Ohio for income taxes withheld during December 2019 and were due by January 15, 2020; however, they were not paid until January 25, 2020. This is mainly attributable to change in Fiscal Officer and appears to be an isolated occurrence. The Cemetery should ensure withholding amounts are paid by the required due dates to avoid any potential late penalties or other fees that may be incurred.

3. Timecards and payroll summary sheets are prepared and retained, however, there is no indication they are reviewed and approved prior to payment. The Fiscal Officer should review timecards and/or payroll summary sheets and evidence review via signature or initials. This will serve as formal indication that Fiscal Officer reviewed and approved of bi-monthly payroll for employee.
4. The Fiscal Officer did not complete required investment education or file for exemption for continuing education requirements as described in ORC Section 135.22. The Fiscal Officer should complete the required continuing education requirements or file for exemption based on deposit and investment activity.

Current Status of Matters Reported in our Prior Engagement

1. The prior agreed-upon procedures engagement identified late HINKLE filings for fiscal year ends 2016 and 2017. We examined the HINKLE System and determined that the Cemetery did file its annual financial report completely and timely for both fiscal years 2018 and 2019.
2. The prior agreed-upon procedures engagement identified the Cemetery did not disclose the Permanent Fund on the December 31, 2017 annual financial report as it was improperly included within the General Fund. There was no permanent fund activity in fiscal year 2018 or 2019.
3. The prior agreed-upon procedures engagement identified a \$95 variance between the December 31, 2016 ending cash balance, which was \$232,197, and beginning cash balance as of January 1, 2017 which was \$232,292. We examined the annual financial reports filed in the HINKLE System, noting agreement of ending cash balance to subsequent year beginning cash balance.



Keith Faber
Auditor of State

Columbus, Ohio

November 2, 2020

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NORTHFIELD- MACEDONIA UNION CEMETERY

SUMMIT 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 11/17/2020

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This report is a matter of public record and is available online at
www.ohioauditor.gov