



**RIVERCLIFF UNION CEMETERY
MORROW COUNTY**

BASIC AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2019-2018

OHIO AUDITOR OF STATE KEITH FABER



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Rivercliff Union Cemetery
Morrow County
Mt. Gilead, Ohio 43338

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Rivercliff Union Cemetery, Morrow 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 or 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. Receipts were not posted timely. According to the Receipt book, Receipt NO. 593858 was received on December 2, 2019 but not posted in the accounting system or deposited until January 10, 2020. The receipt amount is \$1,600. This delayed posting resulted in an understatement of 2019 Revenues and an overstatement of 2020 Revenues by the amount of the receipt. The Cemetery should implement procedures to timely post and deposit receipts when received.
2. An expenditure was posted to the incorrect fund in the accounting system. The expenditure has a Post Date of April 5, 2019 to Alum Creek Heating and Cooling for \$475.50 and was posted in Fund 2402 (Mausoleum Endowment Nonexpendable Trust) but should have been posted to Fund 1000 (General). Improper posting can result in the overstating and understating of funds. This adjustment was corrected in the accounting system on October 20, 2020.
3. The Cemetery failed to timely remit payroll withholdings due at year end 2019. Withholdings for Federal income tax and Medicare as well as Village of Mt. Gilead income tax were due January 31, 2020 but were not paid until March 4, 2020. Failure to remit payroll withholdings by the required due date could subject the Cemetery to fines and penalties and possible future findings for recovery.
4. The Cemetery does not have a public records policy required by Ohio Rev. Code § 149.43(E)(2). Failure to maintain a public records policy could result in not properly providing records for public inspection, improperly handling of public records requests, or inadvertently providing information that is confidential and not subject to public record requests.
5. The Cemetery does not have a records retention policy required by Ohio Rev. Code § 149.43(B)(2). Failure to maintain a records retention policy could result in records being destroyed that are not permitted, or being destroyed before the permitted timeframe

Current Status of Matters Reported in our Prior Engagement

1. Ohio Rev. Code § 117.38 states that public offices reporting on a cash basis must file annual reports with the Auditor of State's HINKLE system within 60 days of the close of the fiscal year end. In the prior engagement for the years ended December 31, 2016 and 2017, it was noted the Cemetery did not file within 60 days of the fiscal year end. In performing the current engagement, we noted this occurred again as the Cemetery did not file its annual financial report to the HINKLE system for the fiscal years ending December 31, 2018 and December 31, 2019, until July 13, 2020. The deadline for the Cemetery to file their annual financial report was on March 1, 2019, and March 1, 2020, respectively.
2. In the prior engagement for the years ended December 31, 2016 and 2017, it was noted that "The Cemetery should maintain records that support the payroll expenditures for individuals approved in the minutes. During November 2015, the Cemetery Sexton resigned and a new Sexton was appointed. The new Sexton is the wife of the prior Sexton. While reviewing payroll and receipt records it was noted that the prior Sexton was still completing the work, but his wife was getting paid. All employees performing work on behalf of the Cemetery should be paid by the Cemetery. We will refer this matter to the Ohio Public Employees Retirement System."

In performing the current engagement for years ended December 31, 2018 and 2019, it was noted the prior Sexton is no longer being paid as of February 13, 2019. Her husband was then paid as a contractor while performing the Sexton duties and then training his replacement. He was last paid on December 31, 2019. The new Sexton's official start date was August 21, 2019.



Keith Faber
Auditor of State

Columbus, Ohio

October 6, 2020

OHIO AUDITOR OF STATE KEITH FABER



RIVERCLIFF UNION CEMETERY

MORROW 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
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