



OHIO AUDITOR OF STATE
KEITH FABER



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Village of Wilkesville
Vinton County
P.O. Box 67
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We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Village of Wilkesville, Vinton County, Ohio (the Village) for the years ended December 31, 2019 and 2018.

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

The Village'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 § 117.38** provides entities filing on a cash-basis must file annual reports with the Auditor of State within 60 days of the fiscal year-end. The Auditor of State may prescribe by rule or guidelines the forms for these reports. However, if the Auditor of State has not prescribed a reporting form, the public office shall submit its report on the form used by the public office. Any public office not filing the report by the required date shall pay a penalty of \$25 for each day the report remains unfiled, not to exceed \$750. The AOS may waive these penalties, upon the filing of the past due financial report.

The minimum required components of financial statement reports for regulatory cash basis entities include basic financial statements and notes to the basic financial statements.

The Village filed the required components for 2019 but did not do so until April 7, 2020. Failure to file the required report package by the deadline could result in fines and penalties.

The Village Fiscal Officer should review Auditor of State Bulletin 2015-007 for the requirements for filling annual financial statements and file by the required deadline.

Current Year Observations (Continued)

2. **Ohio Rev. Code § 149.43(E)(2)** provides that every public office must have a policy in place for responding to public records requests. Accordingly, a public records policy cannot: (1) limit the number of public records the office will make available to a single person; (2) limit the number of public records the office will make available during a fixed period of time; and (3) establish a fixed period of time before the office will respond to a request for inspection/copying of public records unless that period is less than eight hours. However, pursuant to **Ohio Rev. Code § 149.43(B)(7)(c)**, the policy may limit the number of public records the public office will physically deliver by U.S. Mail or other delivery service to ten per month unless the person certifies to the office in writing that the person does not intend to use or forward the requested records, or the information contained in them, for commercial purposes. For purposes of this division, "commercial" shall be narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research. Additionally, all public offices are required by Ohio Rev. Code § 149.43(E)(2) to distribute their Public Records Policy to the employee who is the records custodian/manager or otherwise has custody of the records of that office.

Furthermore, pursuant to **Ohio Rev. Code § 109.43(E)**, the Ohio Attorney General has developed and provided to all public offices a model public records policy for responding to public records requests. The policy, which is available at <https://www.ohioattorneygeneral.gov/Files/Government-Entities/Model-Public-Records-Policy.aspx>, provides guidance to public offices in developing their own policies for responding to public records requests in compliance with the Public Records Act.

Finally, **Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1)** require all state and local elected officials, or their designees, to attend 3 hours of training on Ohio's Public Records Laws during each term of office. The training received must be certified by the Ohio Attorney General. Proof of completion of training must include documentation either from the Attorney General's Office or from another entity certified by the Attorney General to provide the training to the elected official or his/her designee. Attendees who successfully complete the training will receive a certificate to serve as proof of training.

Due to deficiencies in internal control over public record request procedures and monitoring, the Village does not have a Public Records Policy. This could result in records requests not being fulfilled in accordance with Ohio law. Also, due to deficiencies in internal control over public records laws training procedures and monitoring, the Village's elected officials, did not, during their term of office, attend a required Certified Public Records Training or have an appropriate designee attend a training. This could result in improper education of public offices regarding the offices' duties related to public records requests as well as improper withholding of information from stakeholders.

The Village should establish a public records policy to address the Village's available records, the times when public records may be inspected, and the costs associated with records requests. The policy should be included in policy manuals and the Public Records Act requires that the policy be displayed conspicuously in all branches of the Village. In addition, the Village should have written evidence that the Public Records Policy was provided to the records custodian/manager. Lastly, the Village officials should each attend the required public records laws training or designate an individual to attend in their place.

3. **Ohio Rev. Code § 149.43(B)(2)** provides that the entity shall have available a copy of its current records retention schedule at a location readily available to the public.

The Village does not have a records retention schedule and therefore could not make it readily available to the public.

Current Year Observations (Continued)

3. Ohio Rev. Code § 149.43(B)(2) (Continued)

Village officials should review Ohio Rev. Code § 149.43(B)(2) and Auditor of State Bulletin 2007-014 in order to gain an understanding of what needs to be included in the records retention schedule. The Village should adopt and post a records retention schedule.

4. Ohio Admin. Code § 117-2-02 requires all local public offices to maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and reports its transactions, maintain accountability for the related assets, (and liabilities, if generally accepted accounting principles apply), document compliance with finance related legal and contractual requirements and prepare financial statements required by 117-2-03 of the Admin. Code. We identified the following conditions related to the above criteria:

- The Village maintained a manual spreadsheet of transactions in both 2019 & 2018. However, the maintained spreadsheets did not include checks as they were being written which resulted in the book balance not remaining accurate throughout the fiscal years. Checks were being written but not recorded until they cleared the checking account. This resulted in disbursements being understated and ending balance being overstated \$92 on the financial statements for the year ended December 31, 2019 as a check outstanding at December 31, 2019 was not posted to the ledgers until it cleared in January 2020.
- The Fiscal Officer has not recorded any receipts or disbursements in the spreadsheets for the months of May through August 2020.

Failure to properly record transactions as they take place resulted in reconciliations not always including the outstanding checks each month. Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. Although the activity of the Village was limited during the period, the Village's Fiscal Officer should maintain a detailed general ledger of receipts and disbursements as they are received or disbursed and perform a monthly reconciliation. Failure to maintain an accurate general ledger may result in a loss of information regarding the details of specific receipts and disbursements such as date, source, invoice details, etc, and results in an inability to properly reconcile the cash account to the general ledger, and may result in a loss of financial accountability and a possible misappropriation or misuse of funds.

The Village Fiscal Officer should timely record receipt and disbursement transactions to the accounting ledgers and timely prepare bank account reconciliations to ensure financial transactions are complete and accurate.



Keith Faber
Auditor of State

Columbus, Ohio

September 21, 2020

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VILLAGE OF WILKESVILLE

VINTON 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 10/1/2020

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