



**Auditor of State
Betty Montgomery**

**GREEN TOWNSHIP
ADAMS COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 2002.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 2001.....	4
Notes to the Financial Statements.....	5
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	11
Schedule of Findings.....	13
Schedule of Prior Audit Findings.....	17

This page intentionally left blank.



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Green Township
Adams County
894 West Fork Road
Stout, Ohio 45684

To the Board of Trustees:

We have audited the accompanying financial statements of Green Township, Adams County, Ohio (the Township), as of and for the years ended December 31, 2002 and 2001. 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 and reserve for encumbrances of the Township as of December 31, 2002 and 2001, 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 August 19, 2003, 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

August 19, 2003

**GREEN TOWNSHIP
ADAMS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts:			
Property Tax and Other Local Taxes	\$5,517	\$30,987	\$36,504
Intergovernmental Receipts	40,687	62,460	103,147
Interest	820	135	955
Miscellaneous	2,692	9,804	12,496
Total Cash Receipts	49,716	103,386	153,102
Cash Disbursements:			
Current:			
General Government	18,950		18,950
Public Safety		21,718	21,718
Public Works		62,147	62,147
Health		10,873	10,873
Debt Service:			
Principal payments		5,183	5,183
Interest payments		361	361
Capital Outlay	8,786	8,755	17,541
Miscellaneous	1,401	1,187	2,588
Total Cash Disbursements	29,137	110,224	139,361
Total Receipts Over/(Under) Disbursements	20,579	(6,838)	13,741
Fund Cash Balances, January 1	37,309	31,627	68,936
Fund Cash Balances, December 31	\$57,888	\$24,789	\$82,677
Reserves for Encumbrances, December 31	\$0	\$2,743	\$2,743

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

**GREEN TOWNSHIP
ADAMS 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**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts:			
Property Tax and Other Local Taxes	\$4,679	\$28,819	\$33,498
Intergovernmental Receipts	20,567	61,896	82,463
Interest	1,264	277	1,541
Miscellaneous	954	4,556	5,510
Total Cash Receipts	27,464	95,548	123,012
Cash Disbursements:			
Current:			
General Government	30,746		30,746
Public Safety		18,882	18,882
Public Works		69,339	69,339
Health	148	12,551	12,699
Debt Service:			
Principal payments		4,910	4,910
Interest payments		633	633
Capital Outlay	4,798	5,205	10,003
Miscellaneous	989	756	1,745
Total Cash Disbursements	36,681	112,276	148,957
Total Receipts (Under) Disbursements	(9,217)	(16,728)	(25,945)
Fund Cash Balances, January 1	46,526	48,355	94,881
Fund Cash Balances, December 31	\$37,309	\$31,627	\$68,936
Reserves for Encumbrances, December 31	\$0	\$726	\$726

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

**GREEN TOWNSHIP
ADAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Green Township, Adams 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 cemetery maintenance and fire protection.

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 Deposits

The Township maintains a cash deposit pool used by all funds. All Township funds are maintained in an interest-bearing checking account with a local commercial bank. Interest income is distributed to Township funds based upon the Ohio Constitution.

D. Fund Accounting

The Township uses fund accounting to segregate cash deposits 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:

Motor Vehicle License Fund - This fund receives motor vehicle license tax money to pay for constructing, maintaining and repairing Township roads and bridges.

Fire Levy Fund – This fund receives proceeds from the property tax levy for providing fire protection to township residents.

**GREEN TOWNSHIP
ADAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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, 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. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources. The Township did not certify amounts available for expenditures to the County Auditor by the required date.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over need not be appropriated again. The Township did not encumber all commitments as required by the Ohio Revised Code. The budgetary presentations have been adjusted to include material items that should have been encumbered.

A summary of 2002 and 2001 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.

2. EQUITY IN POOLED CASH DEPOSITS

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

	<u>2002</u>	<u>2001</u>
Demand deposits	<u>\$82,677</u>	<u>\$68,936</u>

Deposits are insured by the Federal Depository Insurance Corporation.

**GREEN TOWNSHIP
ADAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$16,522	\$49,716	\$33,194
Special Revenue	92,115	103,386	11,271
Total	\$108,637	\$153,102	\$44,465

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$56,500	\$29,137	\$27,363
Special Revenue	127,726	112,967	14,759
Total	\$184,226	\$142,104	\$42,122

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$23,500	\$27,464	\$3,964
Special Revenue	92,750	95,548	2,798
Total	\$116,250	\$123,012	\$6,762

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$64,692	\$36,681	\$28,011
Special Revenue	132,394	113,002	19,392
Total	\$197,086	\$149,683	\$47,403

**GREEN TOWNSHIP
ADAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(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.

Public utilities are also taxed on personal and real property located within the Township.

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. RETIREMENT SYSTEM

The Township's officials and employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The 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. PERS members contribute 8.5% of their gross salaries. The Township contributes an amount equal to 13.55% of participants' gross salaries. The Township owes PERS approximately \$2,600 as of December 31, 2002.

6. DEBT

Debt outstanding at December 31, 2002 consisted of the following:

Bank Note for Road Grader purchase, collateralized by the Road Grader.

- Principal Outstanding \$2,699
- Interest Rate 5.40%

The annual requirements to amortize the outstanding debt of the Township as of December 31, 2002, including interest payments of \$74, are as follows:

Year Ending <u>December 31</u>	<u>Grader</u>
2003	<u>\$2,773</u>
Total	<u><u>\$2,773</u></u>

**GREEN TOWNSHIP
ADAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

7. RISK MANAGEMENT

Risk Pool Membership

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

OTARMA retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. Claims exceeding \$250,000 are reinsured with APEEP up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000, from the General Reinsurance Corporation.

If losses exhaust OTARMA's retained earnings, APEEP covers OTARMA losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Coverage

OTARMA retains property risks, including automobile physical damage, up to \$10,000 on any specific loss with an annual aggregate of \$700,000 for 2001 and \$1,250,000 for 2002. The Travelers Indemnity Company reinsures losses exceeding \$10,000 if the annual aggregate is reached and all specific losses exceeding \$100,000. APEEP's Operating Fund and Guarantee Fund pay for losses and loss adjustment expenses should they exceed operating contributions.

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

<u>Casualty Coverage</u>	<u>2002</u>	<u>2001</u>
Assets	\$23,757,036	\$23,703,776
Liabilities	<u>(9,197,512)</u>	<u>(9,379,003)</u>
Retained earnings	<u>\$14,559,524</u>	<u>\$14,324,773</u>

**GREEN TOWNSHIP
ADAMS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

7. RISK MANAGEMENT (Continued)

<u>Property Coverage</u>	2002	2001
Assets	\$6,596,996	\$5,011,131
Liabilities	<u>(1,204,326)</u>	<u>(647,667)</u>
Retained earnings	<u>\$5,392,670</u>	<u>\$4,363,464</u>

8. COMPLIANCE

The Gasoline Fund had a deficit fund balance at various times in 2001 and 2002.



**Auditor of State
Betty Montgomery**

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

Green Township
Adams County
894 West Fork Road
Stout, Ohio 45684

To the Board of Trustees:

We have audited the accompanying financial statements of Green Township, Adams County, Ohio, (the Township) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated August 19, 2003. 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 2002-001 through 2002-005. We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated August 19, 2003.

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 certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. 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. Reportable conditions are described in the accompanying schedule of findings as items 2002-001 and 2002-002.

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 that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 2002-001 to be 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 August 19, 2003.

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.



Betty Montgomery
Auditor of State

August 19, 2003

**GREEN TOWNSHIP
ADAMS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2002 AND 2001**

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

FINDING NUMBER 2002-001

Noncompliance Citation/Material Weakness - Accounting and Reporting Records

Ohio Admin. Code, Section 117-2-01, states that all public officials are responsible for the design and operation of a system of internal control that is adequate to provide reasonable assurance regarding the achievement of objectives for their respective public offices in certain categories.

“Internal Control” means a process effected by an entity's governing board, management, and other personnel, designed to provide reasonable assurance regarding the achievement of certain objectives, among them reliability of financial reporting.

Ohio Admin. Code, Section 117-2-02, requires that all local public offices maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions. The management of each local public office is responsible for the assertions underlying the information in the public office's financial statements among them being completeness, which requires that all account balances and transactions that should be included in the financial records are included. We noted the following discrepancies with the Township accounting records:

1. The Township did not properly reconcile their fund balances to the bank balances.
2. Receipt and Appropriation Ledgers were not maintained.
3. Annual reports were not completed accurately.

Due to these problems, additional costs were incurred by the Township for accounting services rendered by the Office of the Auditor of State to reconcile the records for the period of January 1, 2001 through December 31, 2002, and to classify receipts as well as other posting errors we noted.

We recommend the following:

1. Proper monthly bank reconciliations must be performed and each reconciling item be identified.
2. The Township files their annual financial report with the Auditor of State, as required by Section 117.38 of the Ohio Revised Code.
3. The receipts, disbursements, and fund cash balances in the annual financial report should agree with the cash book. Care should be taken when posting the annual report to properly classify receipts and disbursements.
4. Receipt and Appropriation Ledgers should be properly maintained and balanced monthly with the cash book, which would help complete the annual financial report correctly.
5. Care should be exercised when posting to the records to avoid errors and to make the records more legible.

**FINDING NUMBER 2002-001
(Continued)**

6. The Trustees should familiarize themselves with the bank reconciliation process and review the monthly bank reconciliations and bank statements to properly determine that correct balances are used for reconciliation and that the reconciliation is complete. The Trustees are the governing body and are responsible for the finances of the Township.
7. The Clerk, as the Chief Financial Officer, is responsible for maintaining the records and needs to exercise more care over the record keeping process.

FINDING NUMBER 2002-002

Material Noncompliance/Reportable Condition

Ohio Rev. Code, Section 5705.41(D), requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation 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. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

This Section also provides for two exceptions to the above requirements:

- A. Then and Now Certificates - 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 Board of Trustees 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.
- B. If the amount involved is less than \$1,000 (which was increased to \$3,000 on April 7, 2003), the Clerk may authorize payment through a Then and Now Certificate without affirmation of the Board of Trustees, if such expenditure is otherwise valid.

Where a continuing contract is to be performed in whole or in part in an ensuing fiscal year, only the amount required to meet those amounts in the fiscal year in which the contract is made need to be certified.

Prior certification was not obtained for any of the vouchers reviewed, and neither of the two certification exceptions described above was utilized. Failure to certify the availability of funds and encumber appropriations can result in overspending funds and negative cash fund balances. There were unrecorded purchase commitments as of December 31, 2001 in the Motor Vehicle Fund of \$528 and Gasoline Fund of \$199 and unrecorded purchase commitments as of December 31, 2002 in the Gasoline Fund of \$1,631 and in the Fire Fund of \$1,112. The financial statements have been adjusted to reflect these as Reserves for Encumbrances.

FINDING NUMBER 2002-003

Material Noncompliance

Ohio Rev. Code, Section 5705.10, provides that all money paid into a fund must be used only for the purposes for which such fund has been established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund. The Township recorded expenditures out of the Gasoline fund in amounts that exceeded receipts and fund balance.

As a result of this the Gasoline Fund had negative fund balances which indicate that money from other Township funds was used to cover the expenses of another fund. The negative fund balances were as follows:

Year	Month	Balance
2001	February	\$ (156)
	April	\$ (1,970)
	May	\$ (498)
	June	\$ (4,893)
	July	\$ (749)
	September	\$ (179)
	October	\$ (158)
2002	November	\$ (1,250)
	September	\$ (5,377)
	October	\$ (2,473)
	November	\$ (2,598)
	December	\$ (3,963)

We recommend that the Township monitor their financial activity to prevent deficit fund balances.

FINDING NUMBER 2002-004

Material Noncompliance

Ohio Rev. Code, Section 5705.10, provides that all revenue derived from a special levy shall be credited to a special fund for the purpose of which the levy was made. The Township posted homestead and rollback receipts into the General Fund which should have been posted to the Fire and Cemetery Funds. The following adjustments were made on the Township's records and are reflected in the financial statements:

Year	Purpose	Fund	From	To
2001	Homestead/Rollback	General	3,658	
2001	Homestead/Rollback	Cemetery		1,315
2001	Homestead/Rollback	Fire		2,343
2002	Homestead/Rollback	General	3,660	
2002	Homestead/Rollback	Cemetery		1,316
2002	Homestead/Rollback	Fire		2,344

We recommend that the Township properly allocate homestead and rollback receipts to the appropriate funds.

FINDING NUMBER 2002-005

Material Noncompliance

Ohio Rev. Code, Section 1503.05(D)(2), provides that all revenue received by a township from the sale of products on state forest lands located within the township shall be credited to the general fund of the township. The Township improperly posted timber sale proceeds to the Motor Vehicle License (MVL), Gasoline, and Fire Funds. The following adjustments have been posted to the Township's accounting records and are reflected in the financial statements:

Fund	From	To
Gasoline	6,905	
Fire	2,000	
MVL	4,000	
General		12,905

We recommend that the Township properly post timber sale proceeds to the General Fund.

**GREEN TOWNSHIP
ADAMS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2002 AND 2001**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2000-40401-001	Ohio Admin. Code Section 117-2-01, Ohio Admin Code Section 117-2-02 , public officials are responsible for accounting system and internal control system	No	Not corrected Repeated as finding 2002-001
2000-40401-002	Ohio Rev. Code Section 5705.41(D), purchase order date should precede invoice date.	No	Not corrected Repeated as finding 2002-002



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

GREEN TOWNSHIP

ADAMS 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
SEPTEMBER 11, 2003**