



**Auditor of State
Betty Montgomery**

PRAIRIE TOWNSHIP
HOLMES COUNTY

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Prairie Township
Holmes County
8186 CR 189
Holmesville, Ohio 44633

To the Board of Trustees:

We have audited the accompanying financial statements of Prairie Township, Holmes 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.

Except as discussed below, 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.

Due to inadequate accounting records related to ambulance run billing and collection, we were unable to form an opinion regarding ambulance run Charges for Services in the Special Revenue Fire District Fund for the year ended December 31, 2001, reported at \$25,953 in the accompanying financial statements. Those receipts represent 93% of the reported Charges for Services in the Special Revenue Fund Type.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves concerning Charges for Services receipts as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves 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 February 6, 2004 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.

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Prairie Township
Holmes County
Independent Accountants' Report
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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 § 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

February 6, 2004

**PRAIRIE TOWNSHIP
HOLMES 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, 2002**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	
Cash Receipts:				
Local Taxes	\$24,805	\$192,537		\$217,342
Intergovernmental	28,870	89,292		118,162
Charges for Services		31,010		31,010
Earnings on Investments	1,813	2,382		4,195
Other Revenue	4,493	2,950		7,443
	<u>59,981</u>	<u>318,171</u>		<u>378,152</u>
Cash Disbursements:				
Current:				
General Government	37,228			37,228
Public Safety		64,636		64,636
Public Works		158,236		158,236
Health	14,837	3,992		18,829
Debt Service:				
Redemption of Principal		10,725		10,725
Interest and Fiscal Charges		3,048		3,048
Capital Outlay		9,102		9,102
	<u>52,065</u>	<u>249,739</u>		<u>301,804</u>
Total Receipts Over Disbursements	7,916	68,432		76,348
Other Financing Receipts:				
Sale of Fixed Assets	10,110			10,110
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	18,026	68,432		86,458
Fund Cash Balances, January 1	42,511	261,328	\$4,131	307,970
Fund Cash Balances, December 31	<u>\$60,537</u>	<u>\$329,760</u>	<u>\$4,131</u>	<u>\$394,428</u>
Reserve for Encumbrances, December 31	<u>\$0</u>	<u>\$4,268</u>	<u>\$0</u>	<u>\$4,268</u>

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

PRAIRIE TOWNSHIP
HOLMES 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>		<u>Fiduciary Fund</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	
Cash Receipts:				
Local Taxes	\$19,796	\$156,672		\$176,468
Intergovernmental	51,298	90,587		141,885
Charges for Services		28,028		28,028
Licenses, Permits, and Fees	2,230			2,230
Earnings on Investments	8,452	9,128		17,580
Other Revenue	2,292	5,812		8,104
	<u>84,068</u>	<u>290,227</u>		<u>374,295</u>
Cash Disbursements:				
Current:				
General Government	39,676			39,676
Public Safety		57,909		57,909
Public Works		167,593		167,593
Health	14,866	5,470		20,336
Capital Outlay		12,777		12,777
	<u>54,542</u>	<u>243,749</u>		<u>298,291</u>
Total Receipts Over Disbursements	29,526	46,478		76,004
Fund Cash Balances, January 1	<u>12,985</u>	<u>214,850</u>	<u>\$4,131</u>	<u>231,966</u>
Fund Cash Balances, December 31	<u>\$42,511</u>	<u>\$261,328</u>	<u>\$4,131</u>	<u>\$307,970</u>
Reserve for Encumbrances, December 31	<u>\$0</u>	<u>\$4,112</u>	<u>\$0</u>	<u>\$4,112</u>

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

**PRAIRIE TOWNSHIP
HOLMES COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Prairie Township, Holmes County, (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'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

The Township maintains monies in a sweep account, checking account and certificates of deposit. 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.

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.

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 has the following Special Revenue Funds:

Road and Bridge Fund - This is used to account for property tax money for constructing, maintaining and repairing Township roads and bridges.

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

**PRAIRIE TOWNSHIP
HOLMES COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Road District Levy Fund - This fund is used to account for road levy tax money to pay for constructing, maintaining and repairing Township roads.

Fire District Fund - This fund is used to account for tax revenues levied to provide fire protection services to the Township, in addition to revenues generated from charges for services to provide emergency medical services for Township residents.

3. Fiduciary Fund (Trust Fund)

These funds are used to account for resources restricted by legally binding trust agreements. The Township has the following expendable trust funds:

Expendable Trust

Cemetery Bequest Fund - These funds were donated and are used to maintain the cemetery.

E. Budgetary Process

The Ohio Revised Code requires that each fund to 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 the appropriation measure 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.

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, and need not be reappropriated. Contrary to Ohio law, the Township did not encumber funds prior to obligation.

A summary of 2002 and 2001 budgetary activity appears in Note 3.

**PRAIRIE TOWNSHIP
HOLMES COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay 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 pool and investments 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:

	2002	2001
Deposits:		
Checking Account	(\$6,689)	(\$13,091)
Certificates of Deposit	101,000	101,000
Total Deposits	94,311	87,909
Investment:		
Repurchase Agreement Sweep Account	300,117	220,061
Total Deposits and Investment	\$394,428	\$307,970

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by securities specifically pledged by the financial institution to the Township.

Contrary to Ohio law, the Township's Clerk/Treasurer invested Township funds in repurchase agreements without completing required continuing education.

3. BUDGETARY ACTIVITY

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

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$64,652	\$70,091	\$5,439
Special Revenue	274,522	318,171	43,649
Total	\$339,174	\$388,262	\$49,088

**PRAIRIE TOWNSHIP
HOLMES COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$100,000	\$52,065	\$47,935
Special Revenue	451,000	254,007	196,993
Total	\$551,000	\$306,072	\$244,928

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$30,331	\$84,068	\$53,737
Special Revenue	279,609	290,227	10,618
Total	\$309,940	\$374,295	\$64,355

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$63,369	\$54,542	\$8,827
Special Revenue	357,500	247,861	109,639
Total	\$420,869	\$302,403	\$118,466

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 payments, 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 April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

**PRAIRIE TOWNSHIP
HOLMES COUNTY**

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

5. DEBT

Debt outstanding at December 31, 2002 was as follows:

	Principal	Interest Rate
Dump Truck Loan	\$44,697	5.51%

A \$55,449 loan was issued to finance the purchase of a dump truck to be used for Township road maintenance. The Township will pay this loan in 60 payments of \$1,059 each month.

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

	Dump Truck Loan
Year ending December 31:	
2003	\$11,654
2004	12,713
2005	12,713
2006	12,713
Total	\$49,793

6. RETIREMENT SYSTEM

Township employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS 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 2002 and 2001, OPERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2002.

7. RISK POOL MEMBERSHIP

The Township belongs to the Ohio Government Risk Management Plan (the "Plan") an unincorporated non-profit association with over 600 governmental entity members providing a formalized, jointly administered self-insurance risk management program and other administrative services. Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's deductible.

The Plan uses conventional insurance coverages and reinsures these coverages 100%, rather than using a risk pool of member funds to pay individual and collective losses. Therefore, the individual members are only responsible for their self-retention (deductible) amounts which vary from member to member.

**PRAIRIE TOWNSHIP
HOLMES COUNTY**

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

8. RELATED PARTY TRANSACTIONS

The Clerk/Treasurer for the Township is also the Treasurer of Prairie Township Friends of the Library. The Township rents a room from this group to hold their meetings. During 2001, the Township donated \$2,000 to the Friends of the Library to upgrade the heating and the cooling system in the building.



**Auditor of State
Betty Montgomery**

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

Prairie Township
Holmes County
8186 CR 189
Holmesville, Ohio 44633

To the Board of Trustees:

We have audited the accompanying financial statements of Prairie Township, Holmes County, Ohio, (the Township) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated February 6, 2004, which was qualified due to inadequate accounting records concerning Special Revenue Fund Charges for Services reported for 2001. Except as discussed in the preceding sentence, 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 and 2002-002.

We also noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated February 6, 2004.

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 2002-003 and 2002-004.

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 2002-003 to be 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 February 6, 2004.

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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

February 6, 2004

**PRAIRIE TOWNSHIP
HOLMES COUNTY**

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

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2002-001

Noncompliance Citations

Ohio Rev. Code Section 5705.41(D), requires 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 Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was both at the time that 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 (\$3,000 effective April 7, 2003), the Clerk may authorize payment through a Then and Now Certificate paid without the affirmation of the Board of Trustees if such expenditure is otherwise lawful.

For 2002 and 2001, 95% and 92% of expenditures tested, respectively, were not certified by the Clerk prior to incurring the obligation. It was also found that neither of the two exceptions noted above were utilized for the items found to be in noncompliance. To avoid overspending, the Township should certify the availability of funds prior to incurring the obligation for expenditures.

FINDING NUMBER 2002-002

Ohio Rev. Code Section 135.22 requires the Clerk/Treasurer to complete annual continuing education provided by the Treasurer of State. The continuing education requirement does not apply to any treasurer who annually provides notice of exemption to the Auditor of State. The notice shall be certified by the treasurer of state and shall certify that the treasurer is not subject to the continuing education requirements because the treasurer invests only in interim deposits, STAROhio, and no-load money market mutual funds.

The Clerk/Treasurer did not attend and/or complete any annual continuing education programs provided by the Treasurer of State and invested 76% and 71%, in 2002 and 2001 respectively, of Township funds in overnight repurchase agreement sweep account. The Clerk/Treasurer should either attend continuing education programs or limit the Township's investments to those which do not require training under Ohio Rev. Code Section 135.22. The Board of Trustees should monitor the Clerk/Treasurer to ensure the Clerk/Treasurer completes the annual continuing education programs or annually provides notice of exemption.

FINDING NUMBER 2002-003

Material Weakness

Charges for Services Ambulance Revenue

A lack of proper billing procedure controls for ambulance charges for services made it difficult to determine all ambulance runs were properly billed and collected.

For 2001, the following weaknesses were noted during audit testing:

- Nine out of the ten receipts selected from the run reports could not be traced to the receipts ledger,
- Five out of the ten receipts selected from the receipts ledger could not be traced to the run reports,
- The billing schedule for 2001 and prior years had ambulance runs listed with incomplete information such as; billed date, amount paid, date paid, payee, check number, and account balance.

For 2002 and 2001, the Township contracted with Ohio Billing Services (service organization) to bill ambulance run reports on its behalf. However, the Township has not established procedures to determine whether this service organization has instituted effective controls to reduce the risk of ambulance run billing inaccuracies and to ensure all billings are collected. The following control weaknesses were noted regarding ambulance revenue:

- The Township did not document acceptance of ambulance run reports, billings, and the write-off of uncollectible amounts in the minute record,
- The Township did not establish written procedures over the collection, follow-up on unpaid ambulance bills and uncollectible accounts.

To help ensure ambulance runs are billed and subsequent receipts are recorded, the Board should:

- Document its acceptance of ambulance reports as part of the minutes record,
- Review total billings to collections for reasonableness,
- Establish written procedures; over the collection of billed services, to follow-up on unpaid bills, and, to determine uncollectible bills,
- Require its service organization obtain a report assessing controls over ambulance billing procedures and their operating efficiency. This report should be prepared in accordance with the applicable auditing standards. Upon receipt of this report, the Board should review its contents and verify the Township follows the user control considerations documented in the report.

In our review of the 2002 ambulance run reports, receipts, and receipt ledger postings, the exceptions noted above were not as prevalent. Effective January 1, 2003, the service organization has obtained a report on the design and operation of its control procedures. The Township should review the report contents and implement any suggested procedures.

FINDING NUMBER 2002-004

Reportable Condition

Recording of Revenues

The Clerk/Treasurer prepares one duplicate receipt for a deposit which includes multiple sources of revenue. This procedure makes it difficult to identify the source of revenues recorded and hinders verification of revenues to the revenue ledger, and increases the likelihood that not all collections will be timely recorded and properly posted.

To improve controls over the receipt process, the Clerk/Treasurer should issue a separate prenumbered duplicate receipt for each receipt transaction. In addition, the Clerk/Treasurer should record the source, date, receipt number, and type of receipt in the cash journal and receipt ledger.

**PRAIRIE TOWNSHIP
HOLMES 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>
2000-40938-001	Revised Code 505.24, the Township did not pass a resolution to pay a portion of the Trustees salary from the Gas Tax fund.	Yes	
2000-40938-002	Ohio Constitution, Article XII, Section 5a, the Township did not distribute the interest earned to the Motor Vehicle License Tax Fund and Gas Tax Fund.	Yes	
2000-40938-003	Revised Code 135.22, the Clerk did not attend or complete required continuing education training to invest funds in repurchase agreements.	No	Not corrected. Reported as Finding Number 2002-002.
2000-40938-004	Revised Code 5705.41(D), failure to certify funds	No	Not corrected. Reported as Finding Number 2002-001.



**Auditor of State
Betty Montgomery**

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PRAIRIE TOWNSHIP

HOLMES 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
APRIL 20, 2004**