

Scott Township

Adams County

January 1, 2008 through December 31, 2009

Years Audited Under GAGAS: 2008 and 2009

CAUDILL & ASSOCIATES, CPA'S

725 5TH Street

Portsmouth, OH 45662



Mary Taylor, CPA

Auditor of State

Board of Trustees
Scott Township
163 Old State Route 32
Peebles, Ohio 45660

We have reviewed the *Independent Auditor's Report* of Scott Township, Adams County, prepared by Caudill & Associates, CPA's, for the audit period January 1, 2008 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Scott Township is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 23, 2010

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Scott Township
Adams County
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For the Years Ended December 31, 2009 and 2008

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Independent Auditor's Report

Scott Township
Adams County
6493 Tri-County Road
Seamon, Ohio 45679

To the Township Board of Trustees:

We have audited the accompanying financial statements of Scott Township, Adams , (the Township) as of and for the years ended December 31, 2009 and 2008. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Township's larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Townships to reformat their statements. The Township has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Scott Township, Adams, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

Scott Township
Adams County
Independent Auditor's Report

The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2010, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Caudill & Associates, CPA's

Caudill & Associates, CPA's
June 15, 2010

Scott 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, 2009

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Permanent	
Cash Receipts:				
Property and Local Taxes	12,683	98,472	\$ -	\$ 111,155
Intergovernmental	16,003	126,089	-	142,092
Earnings on Investments	501	1,002	224	1,727
Miscellaneous	1,129	5,489	-	6,618
Total Cash Receipts	30,316	231,052	224	261,592
Cash Disbursements:				
Current:				
General Government	26,111	-	-	26,111
Public Safety	-	53,281	-	53,281
Public Works	2,809	116,360	-	119,169
Health	3,714	10,465	-	14,179
Capital Outlay	-	16,516	-	16,516
Debt Service:				
Redemption of Principal	-	24,488	-	24,488
Interest and Fiscal Charges	-	3,006	-	3,006
Total Cash Disbursements	32,634	224,116	-	256,750
Total Receipts Over Disbursements	(2,318)	6,936	224	4,842
Fund Cash Balances, January 1	18,274	118,289	5,674	142,237
Fund Cash Balances, December 31	\$ 15,956	\$ 125,225	\$ 5,898	\$ 147,079

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

Scott 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, 2008

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Permanent	
Cash Receipts:				
Property and Local Taxes	12,947	100,232	\$ -	\$ 113,179
Intergovernmental	19,178	136,840	-	156,018
Earnings on Investments	1,090	2,180	259	3,529
Miscellaneous	774	2,504	-	3,278
Total Cash Receipts	33,989	241,756	259	276,004
Cash Disbursements:				
Current:				
General Government	32,260	-	-	32,260
Public Safety	-	49,886	-	49,886
Public Works	4,110	116,190	-	120,300
Health	4,140	14,726	-	18,866
Capital Outlay	-	21,964	-	21,964
Debt Service:				
Redemption of Principal	-	15,000	-	15,000
Interest and Fiscal Charges	-	3,067	-	3,067
Total Cash Disbursements	40,510	220,833	-	261,343
Total Receipts Over Disbursements	(6,521)	20,923	259	14,661
Fund Cash Balances, January 1	24,795	97,366	5,415	127,576
Fund Cash Balances, December 31	\$ 18,274	\$ 118,289	\$ 5,674	\$ 142,237

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

Scott Township
Adams County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 1 – Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Scott Township, (the Township), as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance and fire protection.

The Township's management believes the financial statements present all activities for which the Township is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements basis of accounting. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 adequately disclose material matters, as the Auditor of State prescribes or permits.

C. Cash Deposits

The Township funds are deposited in an interest-bearing checking account and certificates of deposit with local commercial banks. All deposits are valued at cost.

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 reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds account for proceeds of 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:

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

Fire Levy Fund - This fund receives tax money to pay for maintenance and repair of fire department equipment and buildings, purchase of equipment, and payment to volunteer firefighters.

Scott Township
Adams County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 1 – Summary of Significant Accounting Policies (Continued)

3. Permanent Fund

This fund received money from a Hopkins family cemetery bequest and earns interest from a certificate of deposit.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) 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.

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. The Township did not have any outstanding encumbrances at year end.

A summary of 2009 and 2008 budgetary activity appears in Note 3.

F. Property, Plant, and Equipment

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Note 2 – Equity in Pooled Cash and Investments

The Township maintains a cash and investment pool that all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and cash equivalents at December 31 was as follows:

	2009	2008
Demand Deposits	\$142,079	\$137,237
Certificates of Deposit	<u>5,000</u>	<u>5,000</u>
Total Deposit	<u>\$147,079</u>	<u>\$142,237</u>

Deposits: Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Scott Township
Adams County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 3 – Budgetary Activity

Budgetary activity for the years ending December 31, 2009 and 2008 follows:

2009 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$33,729	\$30,316	\$(3,413)
Special Revenue	208,402	231,052	22,650
Permanent	100	224	124
Total	\$242,231	\$261,592	\$19,361

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$50,500	\$32,634	\$17,866
Special Revenue	320,750	224,116	96,634
Permanent	700	0	700
Total	\$371,950	\$256,750	\$115,200

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$29,520	\$33,989	\$4,469
Special Revenue	200,932	241,756	40,824
Permanent	100	259	159
Total	\$230,552	\$276,004	\$45,452

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$53,500	\$40,510	\$12,990
Special Revenue	294,000	220,833	73,167
Permanent	500	0	500
Total	\$348,000	\$261,343	\$86,657

Note 4 - Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopt tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, 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.

Scott Township
Adams County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 - Property Tax (Continued)

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

Note 5 - Debt

On October 31st 2007, Scott Township issued a \$90,000 Fire Department Bond which was purchased by First State Bank of Adams County. The bond was issued to help finance the purchase of a Ladder Truck and Land, located next to the fire house. The proceeds from this bond were paid to the Township upon issuance of the bonds.

The bond called for 4.75% interest to be paid per annum, payable on each May 1 and November 1, beginning May 1st, 2008. Then bond schedule called for a 6 year payout.

Debt outstanding at December 31, 2009 was as follows:

	Principal Outstanding 12/31/08	Additions	Deletions	Principal Outstanding 12/31/09	Amounts Due Within One Year
2007 Fire House Bond	75,000	-	24,488	50,512	15,000

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

Year Ending December 31:	Fire House Bond	
	Principle	Interest
2010	\$15,000	\$2,884
2011	15,000	2,163
2012	15,000	1,442
2013	5,512	721
Total	<u>\$50,512</u>	<u>\$7,210</u>

Note 6 – Retirement Systems

The Township’s officials and employees (excluding volunteer firefighters) belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include post-retirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OPERS members contributed 10% of their gross salaries, and the Township contributed an amount equaling 14% of participants’ gross salaries. The Township has paid all contributions required through December 31, 2009.

Scott Township
Adams County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 7 – Risk Management

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

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. APEEP provides supplemental risk coverage for claims exceeding OTARMA claims coverage.

Casualty Coverage

For an occurrence prior to January 1, 2006, OTARMA retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. For an occurrence on or subsequent to January 1, 2006, the OTARMA Pool retains casualty risk up to \$350,000 per occurrence. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with OTARMA.

If losses exhaust APEEP's retained earnings, APEEP provides "excess of funds available" coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (prior to January 1, 2006) or \$3,000,000 (on or subsequent to January 1, 2006).

Property Coverage

Through 2004, OTARMA retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500 million per occurrence.

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. This amount increased to \$300,000 in 2007. For 2007, APEEP reinsures members for specific losses exceeding \$100,000 up to \$300,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000 in 2006, or \$100,000 and \$300,000 in 2007, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2007 was \$2,014,548.

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.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Scott Township
Adams County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 7 – Risk Management (Continued)

Financial Position

OTARMA’s financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net assets at December 31, 2008 and 2007 (the latest information available):

	2008	2007
Assets	\$40,737,740	\$43,210,703
Liabilities	12,981,818	13,357,837
Net Assets	\$27,755,922	\$29,852,866

At December 31, 2008 and 2007, respectively, liabilities above include approximately \$12.1 million and \$12.5 million of estimated incurred claims payable. The assets and net assets above also include approximately \$10.9 million and \$11.6 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2008 and 2007, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. This payable includes the subsequent year’s contribution due if the Township terminates participation, as described in the last paragraph below.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

Contributions to OTARMA	
2009	\$7,459
2008	7,430
2007	7,012

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA provided they provide written notice to OTARMA 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year’s budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.



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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Scott Township
Adams County
6493 Tri-County Road
Seamon, Ohio 45679

To the Township Board of Trustees:

We have audited the financial statements of Scott Township, Adams, (the Township) as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated June 15, 2010, wherein we noted the Township followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings and responses we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness..

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that material financial statement misstatements will not be prevented, or detected and timely corrected. We consider finding 2009-001 described in the accompanying schedule of findings and responses to be a material weakness.

Scott Township

Adams County

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters that we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2009-002.

We also noted certain matters not requiring inclusion in this report that we reported to the Township's management in a separate letter dated June 15, 2010.

The Township's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the Township's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of management, Board of Trustees, and others within the Township. We intend it for no one other than these specified parties.

Caudill & Associates, CPA's

Caudill & Associates, CPA's
June 15, 2010

Scott Township
Adams County
Schedule of Findings and Responses
For the Years Ended December 31, 2009 and 2008

Findings Related to the Financial Statements Required to be Reported in Accordance With GAGAS
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Finding Number 2009-001

Material Weakness - Misclassification of Receipts and Disbursements

The AICPA establishes auditing standards generally accepted in the United States that certified public accountants and government auditors must follow in conducting audits of state and local governments. SAS No. 112, as amended by SAS No. 115, establishes standards, responsibilities and guidance for auditors during a financial statement audit engagement for identifying and evaluating a client's internal control over financial reporting. This standard requires the auditor to report *in writing* to management and the governing body any control deficiencies found during the audit that are considered significant deficiencies and/or material weaknesses. The Township erroneously posted several receipts and disbursements to incorrect line items and, in limited instances, improper funds. This required reclassifications and adjustments to properly present the financial activity of the Township in both years. We recommend the Township implement control procedures related to financial reporting that enable management to identify, prevent, detect, and correct potential misstatements in the financial statements and footnotes.

Township Response:

The Fiscal Officer will continue to improve understanding of proper procedure.

Finding Number 2009-002

Noncompliance Citation

Ohio Revised Code Section 5705.36(A)(4) requires obtaining a reduced amended certificate if the amount of the deficiency will reduce available resources below the current level of appropriation.

During 2009, appropriations exceeded available resources in the General Fund by \$1,910. We recommend the Fiscal Officer monitor available resources in relationship to estimated resources and appropriations and file the necessary amended certificate with the County Auditor upon determination that available resources will be less than estimated resources.

Township Response:

The Fiscal Officer will carefully watch end of year appropriations/available resources.

Scott Township
Adams County
Schedule of Prior Audit Findings
For the Years Ended December 31, 2009 and 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2007-001	Ohio Revised Code Section 5705.41(D) – Proper certification of funds	No	Partially corrected - reissued in management letter
2007-002	Ohio Revised Code Section 5705.39 – Appropriations in excess of estimated resources	Yes	
2007-003	Ohio Revised Code Section 731.14 – Bidding procedures	Yes	
2007-004	Ohio Revised Code Section 117-2-02(C)(1)	Yes	
2007-005	Significant Deficiency – Misclassification of receipts	No	Reissued as Finding 2009-001



Mary Taylor, CPA
Auditor of State

SCOTT 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 2, 2010**