

LEXINGTON UNION CEMETERY

RICHLAND COUNTY

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED DECEMBER 31, 2010
AND DECEMBER 31, 2009

Varney, Fink & Associates, Inc.
Certified Public Accountants



Dave Yost • Auditor of State

Lexington Union Cemetery
3481 Lindsey Road
Lexington, Ohio 44904

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Lexington Union Cemetery, Richland County, prepared by Varney, Fink & Associates, Inc., for the period January 1, 2009 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code.

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. The Lexington Union Cemetery is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

April 7, 2011

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Lexington Union Cemetery
Richland County
3481 Lindsey Road
Lexington, Ohio 44904

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Lexington Union Cemetery, (the Cemetery) and the Auditor of State agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2010 and 2009, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning fund balances recorded in the Fund Status Report to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2010 and 2009 cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2010 bank account balances with the Cemetery's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2010 bank reconciliation without exception.
5. We selected all outstanding checks from the December 31, 2010 bank reconciliation:
 - a. We traced each check to the debit appearing in the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and date written to the check register, to determine the checks were dated prior to December 31. We noted no exceptions.
6. We tested interbank account transfers occurring in December of 2009 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.

7. We tested investments held at December 31, 2010 and December 31, 2009 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

Property Taxes

1. We selected one property tax receipt received from Troy Township for 2010 and one from 2009.
 - a. We traced the receipts from Troy Township's check stub and Fund Ledger Report to the amount recorded in the Receipts Register Report. The amounts agreed.
 - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Receipts Register Report to determine whether it included the proper number of tax receipts for 2010 and 2009:
 - a. Two personal property tax receipts
 - b. Two real estate tax receiptsWe noted the Receipts Register Report included the proper number of tax settlement receipts for each year.

Sales of Lots and Charges for Services

We haphazardly selected 10 cash receipts for sales of lots and charges for services from the year ended December 31, 2010 and 10 cash receipts for sales of lots and charges for services from the year ended 2009 recorded in the Deed Statement Book and Receipts Report Ledger and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipts Register Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper account codes, and was recorded in the proper year. We found no exceptions.

Debt

We inquired of management, and scanned the Receipts Register Reports and Payment Register Detail Reports for evidence of bonded or note debt issued during 2010 or 2009 or outstanding as of December 31, 2010 or 2009. We noted no new debt issuances, nor any debt payment activity during 2010 or 2009.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for all employees from 2010 and one payroll check for all employees from 2009 from the Payroll Register Detail Report and determined whether the following information in the employees' personnel files was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Funds to which the check should be charged.

- d. Retirement system participation and payroll withholding.
- e. Federal, State & Local income tax withholding authorization and withholding.

We found no exceptions related to steps a. – e. above.

- 2. We tested the checks we selected in step 1, as follows:
 - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard or legislatively-approved rate or salary). We found no exceptions.
 - b. We determined whether the account code to which the check was posted was reasonable based on the employees' duties as documented in the employees' personnel files. We also determined whether the payment was posted to the proper year. We found no exceptions.
- 3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2010. We noted the following:

Withholding	Date Due	Date Paid	Amount Withheld	Amount Paid
Federal income taxes	January 31, 2011	12/30/2010	\$761.82	\$761.82
State income taxes	January 15, 2011	12/30/2010	\$126.87	\$126.87
Local income tax	January 15, 2011	12/30/2010	\$54.57	\$54.57
OPERS retirement (withholding plus employee share)	January 31, 2011	12/30/2010	\$760.18	\$760.18

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2010 and ten from the year ended 2009 and determined whether:

- a. The disbursements were for a proper public purpose. We found no exceptions.
- b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a proper account code. We found no exceptions.

Compliance – Contracts & Expenditures

We inquired of management and scanned the Payment Register Detail Report for the years ended December 31, 2010 and 2009 for projects requiring the contractor to pay prevailing wages to their employees as required by Ohio Rev. Code 4115.04 and 4115.05. We identified no projects subject to the aforementioned prevailing wage requirements.

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We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Cemetery's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and those charged with governance and the Auditor of State and is not intended to be, and should not be used by anyone other than these specified parties.

Varney, Fink & Associates

Varney, Fink & Associates, Inc.
Certified Public Accountants

March 21, 2011



Dave Yost • Auditor of State

LEXINGTON UNION CEMETERY

RICHLAND 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
MAY 5, 2011**