



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Wilson Township  
Clinton County  
5224 N State Route 72  
Sabina, Ohio 45169

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Wilson Township, Clinton County, Ohio (the Township), 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 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2010 bank account balances with the Township's financial institution. 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 the outstanding checks from the December 31, 2010 and December 31, 2009 bank reconciliations:
  - 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 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. Preferred stock certificates were donated and are held by the Township.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code, Section 135.13 or 135.14. We noted no exceptions.

**Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2010 and one from 2009:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the Revenue Report. The amounts agreed.
  - b. We determined whether the receipt was allocated to the proper fund(s) as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Revenue 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 receipts

We noted the Revenue Report included the proper number of tax settlement receipts for each year.
3. We selected State receipts from the State Distribution Transaction Lists (DTL) for 2009 and 2010.
  - a. We compared the amount from the DTL to the amount recorded in the Receipt Register Report for 2009 and traced the amount received per the State's warrant stub to the amount recorded in the Revenue Ledger for 2010. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
4. We confirmed the amounts paid from the County to the Township during 2010 and 2009 for Gas Tax allocations, Ohio Public Works Commission (OPWC) Issue II, and Clinton County Quarry disbursement amounts. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

**Debt**

1. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report 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 or any debt payment activity during 2010 or 2009.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for each of the Trustees, Fiscal Officer, and Part-Time Employee from 2010 and 2009 from the Payment Register Vendor Report and determined whether the following information in the minute record and Ohio Revised Code 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. Department(s) and fund(s) 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, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We determined whether the fund and account code(s) to which the check was posted was reasonable based on the employees' duties as documented in the minute record or as required by statute. 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:

<b>Withholding</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Withheld</b>	<b>Amount Paid</b>
Federal income taxes	January 31, 2011	1/11/2011	157.39	157.39
State income taxes	January 15, 2011	1/11/2011	168.07	168.07
Greeneview LSD tax	January 31, 2011	1/11/2011	35.37	35.37
OPERS retirement (withholding plus employee share)	January 30, 2011	1/11/2011	1,028.94	1,004.61

As noted above, as of the date of this report, the Township has paid OPERS the amount due as required by Ohio Rev. Code Sections 145.47 and 145.48 by January 31, 2011. The variance in the amount withheld and the amount paid to OPERS was due to a previous overpayment.

4. For the pay periods ended June 21, 2010 and April 26, 2009, we compared documentation and the recomputation supporting the allocation of Board salaries to the General, Gas, MVL and Road & Bridge Funds. We found no exceptions.
5. For the pay periods described in the preceding step, we traced Board time or services performed to time or activity sheets. We found no exceptions.

#### **Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Cash Journal for the year ended 2010 and ten from the Payment Register Detail Report for the year ended December 31, 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 or Cash Journal and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
  - d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found one instance where the certification date was after the vendor invoice date. Ohio Rev. Code Section 5705.41(D) requires certifying at the time of a commitment, which should precede the invoice date.

#### **Compliance – Budgetary**

1. We compared the total from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Status Report for General, Gas, and Permanent Improvement funds for the years ended December 31, 2010 and 2009. The amounts agreed.
2. We scanned the appropriation measures adopted for 2010 and 2009 to determine whether, for the General, Gas and Permanent Improvement funds, the Trustees appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Section 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2010 and 2009 for the following funds: General; Gas; Permanent Improvement. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status report.
4. Ohio Rev. Code Section 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Gas and Permanent Improvement funds for the years ended December 31, 2010 and 2009. We noted no funds for which appropriations exceeded certified resources.

5. Ohio Rev. Code, Section 5705.41(B), prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2010 and 2009 for the General, Gas and Permanent Improvement fund, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code, Section 5705.09, requires establishing separate funds to segregate externally-restricted resources. We scanned the Cash Journal for evidence of new restricted receipts requiring a new fund during December 31, 2010 and the Receipt Register Report 2009. We also inquired of management regarding whether the Township received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Township to establish a new fund.
7. We scanned the 2010 and 2009 Revenue Status Reports and Appropriation Status Reports for evidence of interfund transfers which Ohio Rev. Code Sections 5705.14 -- .16 restrict. We found no evidence of interfund transfers.
8. We inquired of management and scanned the Appropriation Status Reports to determine whether the Township elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the Township did not establish any reserve accounts.

#### **Compliance – Contracts & Expenditures**

1. We inquired of management and scanned the Payment Register Detail report for the years ended December 31, 2010 and 2009 for procurements requiring competitive bidding under the following statutes:
  - a. Materials, machinery and tools used in constructing, maintaining and repairing roads and culverts, where costs exceeded \$25,000. (Ohio Rev. Code, Section 5549.21)
  - b. Construction and erection of a memorial building or monument costs exceeding \$25,000 (Ohio Rev. Code, Section 511.12)
  - c. Equipment for fire protection and communication costs exceeding \$50,000 (Ohio Rev. Code, Sections 505.37 to 505.42)
  - d. Street lighting systems or improvement costs exceeding \$25,000 (Ohio Rev. Code, Section 515.07)
  - e. Building modification costs exceeding \$25,000 to achieve energy savings (Ohio Rev. Code, Section 505.264)
  - f. Private sewage collection tile costs exceeding \$25,000 (Ohio Rev. Code, Sections 521.02 to 521.05)
  - g. Fire apparatus, mechanical resuscitators, other fire equipment, appliances, materials, fire hydrants, buildings, or fire-alarm communications equipment or service costs exceeding \$50,000 (Ohio Rev. Code, Section 505.37(A))

We identified no purchases subject to the aforementioned bidding requirements.

2. We inquired of management and scanned the Cash Journal for the year ended December 31, 2010 and the Payment Register Report for the year ended December 31, 2009 to determine if the township had road construction projects exceeding \$45,000 for which Ohio Rev. Code Section 5575.01 requires the Township to proceed by contract or force account. If the Board of Township Trustees proceeds by force account, ORC requires the county engineer to complete a force account project assessment form (i.e., cost estimate). We identified no projects requiring the county engineer to complete a force account cost estimate. The Township chose to proceed by contract for their road construction projects.
3. For the road maintenance project mentioned in step 2 above, we read the contract and noted that it required the contractor to pay prevailing wages to their employees as required by Ohio Rev. Code Sections 4115.04 and 4115.05. The contract included the Ohio Department of Commerce's schedule of prevailing rates.

**No response was received from the officials.**

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Township'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 is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

March 22, 2011





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**WILSON TOWNSHIP**

**CLINTON 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 12, 2011**