



Dave Yost • Auditor of State





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

Germantown Union Cemetery  
Montgomery County  
PO Box 337  
Germantown, OH 45327-9500

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Germantown Union Cemetery (the Cemetery) 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, 2011 and 2010, 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. The Cemetery processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to provide attest services to the Cemetery because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to perform this engagement, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code § 117.11(A) mandates the Auditor of State to perform attest services for Ohio governments.

This report only describes exceptions exceeding \$10.

### Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2011 and December 31, 2010 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2010 beginning balance recorded in the UAN Combining Statements to the December 31, 2009 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2011 and 2010 cash balances reported in the Fund Status Reports. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2011 bank reconciliation without exception.

### **Cash and Investments (Continued)**

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2011 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.
6. We selected all reconciling credits (such as deposits in transit) from the December 31, 2011 bank reconciliation:
  - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
  - b. We agreed the credit amounts to the Receipts Register. Each credit was recorded as a December receipt for the same amount recorded in the reconciliation.
7. We tested investments held at December 31, 2011 and December 31, 2010 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. Per Ohio Rev. Code Section 135.13, interim deposits are certificates of deposits maturing not more than one year from the deposit date, or savings or deposit accounts, including passbook accounts. The Cemetery invested in certificate of deposits with a maturity date of 13 months. The Cemetery should verify that all investments mature within the prescribed timeline.

### **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 2011 and one from 2010:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the UAN Receipt Register Report. We also traced the advances noted on the Statement to the UAN Receipt Register 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 UAN Receipt Register Report to determine whether it included two real estate tax receipts plus four advances for 2011 and 2010. We noted the Receipts Register Report included the proper number of tax receipts for each year.
3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2011 and all receipts from 2010. We also selected five receipts from the County Auditor's Vendor Detail Inquiry Report from 2011 and five from 2010.
  - a. We compared the amount from the above reports to the amount recorded in the UAN Receipt Register Report. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper account code(s). We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

**Sales of Lots**

We haphazardly selected 10 cash receipts for sales of lots from the year ended December 31, 2011 and 10 cash receipts for sales of lots from the year ended 2010 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the UAN Receipt 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 code(s), and was recorded in the proper year. We found no exceptions.

**Other Over-The-Counter Cash Receipts**

We haphazardly selected 10 over-the-counter cash receipts from the year ended December 31, 2011 and 10 over-the-counter cash receipts from the year ended 2010 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the UAN Receipt 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 fund(s), and was recorded in the proper year. We found no exceptions.

**Debt**

- 1. From the prior year schedule of outstanding debt, we noted the following notes and loans outstanding as of December 31, 2009. These amounts did not agree to the Cemetery's January 1, 2010 balances on the summary we used in step 3. The District reported \$3,040 as the beginning balance on the 2009 mower note and did not report any beginning balance for the 2006 mower note, 2004 backhoe lease purchase and land lease purchase.

<u>Issue</u>	<u>Principal outstanding as of December 31, 2009:</u>
2003 Cemetery Building Note	\$ 17,437
2009 Mower Note	6,067
2006 Mower Note	356
2004 Backhoe lease purchase	6,299
Land lease purchase	\$115,337

- 2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2011 or 2010 or debt payment activity during 2011 or 2010. We noted no new debt issuances. However, all debt noted did not agree to the summary we used in step 3. The Cemetery did not include 2006 mower note, 2004 backhoe lease purchase and land lease purchase on the summary used in step 3.
- 3. We obtained a summary schedule of standing debt activity for 2011 and 2010 and agreed principal and interest payments from the related debt amortization schedule(s) to the general fund payments reported in the UAN Payment Register Detail. We also compared the date the debt payments were due to the date the Cemetery made the payments. The Cemetery included \$1,620 in 2011 interest payments in the retired amount for the 2009 Mower Note. Additionally as noted in steps 1 and 2, the Cemetery did not include the 2006 mower note, 2004 backhoe lease purchase and land lease purchase on the schedule of outstanding debt.

Policies and procedures should be established and implemented to verify that the Cemetery correctly summarizes debt activity on the schedule of outstanding debt.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2011 and one payroll check for five employees from 2010 from the Payroll Register Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Register Detail Report to supporting documentation. We found no exceptions.
  - b. We determined whether the account codes to which the check was posted were reasonable based on the employees' duties as documented in the Record of Proceedings. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2011 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2011. We noted the following:

<u>Withholding</u>	<u>Date Due</u>	<u>Date Paid</u>	<u>Amount Due</u>	<u>Amount Paid</u>
Federal income taxes & Medicare	January 15, 2012	December 31, 2011	\$798	\$798
State income taxes	January 31, 2012	December 31, 2011	\$458	\$458
School District	January 31, 2012	December 31, 2011	\$253	\$253
OPERS retirement (employee plus employer portion)	January 31, 2012	December 31, 2011	\$1,595	\$1,595

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the UAN Payment Register Detail Report for the year ended December 31, 2011 and ten from the year ended 2010 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 UAN 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, 2011 and 2010 for projects requiring the contractor to pay prevailing wages to their employees as required by Ohio Rev. Code Sections 4115.04 and 4115.05. We identified no projects subject to the aforementioned prevailing wage requirements.

**Officials' Response:** The Cemetery will slow down the year end process and work harder to review and verify information prior to filing the report

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, those charged with governance, and others within the Cemetery, 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 "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

July 23, 2012

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**GERMANTOWN UNION CEMETERY**

**MONTGOMERY 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  
AUGUST 16, 2012**