

DALLAS TOWNSHIP

CRAWFORD COUNTY

**JANUARY 1, 2012 TO DECEMBER 31, 2013
AGREED UPON PROCEDURES**



Dave Yost • Auditor of State

Board of Trustees
Dallas Township
1121 State Route 294
Bucyrus, Ohio 44820

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of Dallas Township, Crawford County, prepared by Holbrook & Manter CPAs, for the period January 1, 2012 through December 31, 2013. Based upon this review, we have accepted this report 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. Dallas Township is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

October 3, 2014

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Dallas Township
Crawford County
1121 State Route 294
Bucyrus, Ohio 44820

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Dallas Township, Crawford County (the Township) 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, 2013 and 2012, 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, 2013 and 2012 bank reconciliations.
 - No exceptions were noted during the testing of the bank reconciliations.
2. We agreed the January 1, 2012 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2011 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We also agreed the January 1, 2013 beginning fund balances recorded in the Fund Leger Report to the December 31, 2012 balances in the Fund Ledger Report.
 - The January 1, 2012 beginning fund balances tied to the December 31, 2011 balances in the prior year Agreed Upon Procedures documentation and the January 1, 2013 beginning fund balances tied to the December 31, 2012 balances.

Cash and Investments (continued)

3. We agreed the totals per the bank reconciliations to the December 31, 2013 and 2012 fund cash balances reported in the Fund Status Reports.
 - The amounts agreed from the bank reconciliation to the Fund Status Report.
4. We confirmed the December 31, 2013 and 2012 bank account balances with the Township's financial institution and agreed the confirmed balances to the amounts appearing in the December 31, 2013 and 2012 bank reconciliations.
 - The confirmed balances on the checking account agreed to those amounts within the bank reconciliation, and no exceptions were noted.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2013 bank reconciliation and traced each debit to the subsequent January bank statement. We also traced the amounts and dates to the check register to determine that the debits were dated prior to December 31.
 - We found no exceptions when testing the reconciling debits.

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 2013 and one from 2012 and traced the gross receipts from the *Statement* to the amount recorded in the Receipt Register Report, determined whether the receipt was allocated to the proper fund(s) as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10, and determined whether the receipt was recorded in the proper year.
 - We found no exceptions during our testing of the property tax receipts.
2. We scanned the Receipt Register Report to determine whether it included two real estate tax receipts for 2013 and 2012.
 - We noted the Receipts Register Report included the proper number of tax receipts for each year.
3. We selected all three receipts from the State Distribution Transaction Lists (DTL) from 2013 and all four receipts from 2012 and compared the amount from the DTL to the amount recorded in the Receipt Register Report. We also determined whether these receipts were allocated to the proper funds and whether the receipts were recorded in the proper year.
 - We found no exceptions during our testing of the State receipts.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts (continued)

4. We also selected five receipts from the County Auditor's DTLs from 2013 and five from 2012 and compared the amount from the DTL to the amount recorded in the Receipt Register Report. We also determined whether these receipts were allocated to the proper funds and whether the receipts were recorded in the proper year.
 - We found no exceptions when comparing the County confirms to the Receipt Register Report.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2011.
2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2013 or 2012 or debt payment activity during 2013 or 2012.
 - We noted no new debt issuances or any debt payment activity during 2013 or 2012.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for the four employees from 2013 and one payroll check for the four employees from 2012 from the Employee Detail Adjustment Report and tested the following attributes:
 - We compared the hours and pay rate, or salary recorded in the Employee Detail Adjustment Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary).
 - We determined whether the fund and account codes to which the check was posted was reasonable based on the employees' duties as documented in the minute record and time records and determined whether the payment was posted to the proper year.
 - See the results to step 3 below. No other exceptions were noted.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2013 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 2013. We noted the following:

Payroll Cash Disbursements (continued)

Withholding (Plus employer share where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income tax & Medicare	January 31, 2014	December 25, 2013	737.22	737.22
State income taxes	January 31, 2014	December 25, 2013	175.14	175.14
OPERS retirement	January 31, 2014	December 25, 2013	823.18	823.18

- No exceptions were noted during the testing of the withholdings and all payments tested were made timely.
3. For the pay periods ended October 13, 2013 and July 7, 2012, we recomputed the allocation of the Boards' salaries to the General and Gasoline Tax Fund per the Employee Detail Adjustment Report.
- We noted that two of the trustee's salaries were improperly allocated 100% to the Gasoline Tax Fund for both pay periods selected; however, when we determined the percentage certified to each fund for the entire year and compared those percentages to what the Fiscal Officer posted for the year in UAN, we noted the salaries were allocated proportionately for 2013.
 - For the pay period selected for testing in 2012, one trustee certified his pay 29% General Fund and 71% Gasoline Tax Fund and the other two trustees certified 100% to the Gasoline Tax Fund. The Fiscal Officer allocated 100% of all three Trustees to the Gasoline Tax Fund. Because of the differences noted, we summarized the certifications for the entire year and compared the percentages certified for the year to the amounts actually allocated in UAN for the year. In 2012, we noted a difference of \$274, which would decrease the General Fund balance and increase the Gasoline Tax Fund balance; however, the adjustment is immaterial and will be considered an unadjusted difference for 2012.
4. For the pay periods described in the preceding step, we traced the Boards' salary for time or services performed to supporting certifications the Revised Code requires.
- See results from step 3 above.
5. We inquired of management and scanned the Payment Register Detail Report for the years ended December 31, 2013 and 2012 to determine if township employees and / or trustees were reimbursed for out-of-pocket insurance premiums.
- Insurance reimbursements made were in compliance with ORC 505.60 and 505.601.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the *Payment Register Detail Report* for the year ended December 31, 2013 and ten from the year ended 2012 and determined the following:
 - The disbursements were for a proper public purpose.
 - 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.
 - The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used.
 - The fiscal officer certified disbursements requiring certification or issued a Then and Now Certificate, as required by Ohio Rev. Code Section 5705.41(D).
 - No exceptions were noted in the testing of non-payroll cash disbursements.

Compliance-Budgetary

1. We compared the total estimated receipts 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 the General Fund, the Gasoline Tax Fund, and the Fire Levy Fund for the years ended December 31, 2013 and 2012.
 - The amounts on the *Certificate* agreed to the amount recorded in the accounting system.
2. We scanned the appropriation measures adopted for 2013 and 2012 to determine whether, for the General Fund, Motor Vehicle License Tax Fund, and the Gasoline Tax Fund, 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 when scanning appropriation measures to determine that each department had personal services appropriated separately.
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 2013 and 2012 for the following funds: the General Fund, Motor Vehicle License Tax Fund, and the Gasoline Tax Fund.
 - The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status report.

Compliance-Budgetary (continued)

4. Ohio Rev. Code Section 5705.36 (A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General Fund, the Gasoline Tax Fund, and the Road and Bridge Fund for the years ended December 31, 2013 and 2012.
 - 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, 2013 and 2012 for the General Fund, the Gasoline Tax Fund, and the Fire Levy 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 Receipts Register Report for evidence of new restricted receipts requiring a new fund during December 31, 2013 and 2012. 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 2013 and 2012 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 transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas. No exceptions were noted.
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 these reserves; therefore, no exceptions were noted.
9. We scanned the Cash Summary by Fund Report for the years ended December 31, 2013 and 2012 for negative cash fund balance. Ohio Rev. code Section 5705.10 (I) provides that money paid into a fund must be used for the purpose for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to over the expenses of another.
 - We noted no funds having a negative cash fund balance.

Compliance-Contracts & Expenditures

1. We inquired of management and scanned the Payment Register Detail Report for the years ended December 31, 2013 and 2012 to determine if the Township proceeded by force account (i.e. used its own employees) to maintain or repair roads (cost of project \$15,000 - \$45,000) or to construct or reconstruct township roads (cost of project \$5,000 - \$15,000 / per mile) for which Ohio Rev. Code Section 5575.01 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.

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, those charged with governance, the Auditor of State, and others within the Township, and is not intended to be, and should not be used by anyone other than these specified parties.

Shulbrook & Maister

Certified Public Accountants

August 28, 2014
Marion, Ohio

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Dave Yost • Auditor of State

DALLAS TOWNSHIP

CRAWFORD 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
OCTOBER 16, 2014**