



Dave Yost • Auditor of State





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Village of Congress  
Wayne County  
127 N. Maple St  
West Salem, Ohio 44287

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Village of Congress, Wayne County, Ohio, (the Village) for the years ended December 31, 2013 and 2012.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Village's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village's financial statements, transactions or balances for the years ended December 31, 2013 or 2012.

The Village's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

## Current Year Observations

1. The Village Council did not approve appropriations at the legal level of control as required by Ohio Admin Code section 117-2-02(C)(1) and Ohio Rev. Code section 5705.38(C). Appropriations were approved by expense type (i.e. Trustee Salaries, Snow Removal, etc.); however, the appropriations were not broken out by Fund and Function. A similar comment was issued in the prior audit period.

The Village Council should pass appropriations at the legal level of control as required by Ohio Admin Code 117-2-02(C)(1) and Ohio Rev. Code section 5705.38(C).

2. Approved appropriations were not properly entered into the Village's accounting system. Posted appropriations exceed approved appropriations by \$5,900. Therefore, the Village may have expended funding which was not properly appropriated as required by Ohio Rev. Code section 5705.41(B). A similar comment was issued in the prior audit report.

The Village should ensure only approved appropriations are entered into the accounting system. This will aide in ensuring only properly appropriate funds are expensed as required by Ohio Rev. Code section 5705.41(B).

3. The Fiscal Officer did not enter expenses into the Village's accounting system until after the expenses had cleared the Village's checking account. Because of this, fund balances could have been overstated throughout the audit period. Furthermore, expenses which should have been reported as reconciling items were not properly recorded. A similar comment was issued in the prior audit report.

The Village should ensure all expenses are recorded within the accounting system when the check is written. This will aide in ensuring fund balances are properly stated and reconciling items were properly recorded throughout the audit period.

### **Current Status of Matters We Reported in Our Prior Engagement**

1. In our prior audit, we reported material noncompliance and a significant deficiency as noted above under current year observation number 1;
2. Material noncompliance was reported for Ohio Rev. Code section 5705.41(D) regarding certification of expenditures. As the Village continued to record expenses within the accounting system after the expense cleared the Village's checking account, the Village continued to not properly certify expenses prior to obligation;
3. A material weakness was reported regarding numerous posting errors noted in the receipts and disbursement ledger resulting in financial statement adjustments. We scanned the Village's ledgers and did not note any material misspostings;
4. A significant deficiency was reported as noted above under current year observation number 3;
5. A significant deficiency was reported regarding the Village Council not documenting the receipt and approval of financial reports within the Village Council minutes. A review of the 2012 and 2013 Council minutes revealed the Council still did not document the receipt and approval of financial reports;
6. A significant deficiency was reported regarding the Village not implementing appropriate budgetary and accounting policies. These policies help in ensuring the Village is in compliance with laws and regulations governing the Village's budgetary and accounting process. The lack of these policies could result in budgetary violations. We discussed this issue with the Fiscal Officer who indicated these policies were never implemented during the current audit period.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

August 19, 2014



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**VILLAGE OF CONGRESS**

**WAYNE 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 16, 2014**