



Dave Yost • Auditor of State



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Spring Valley Park District
Greene County
2547 US Route 42 South
Spring Valley, Ohio 45370

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Spring Valley Park District, Greene County, (the Park District) for the period ended January 31, 2013.

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 Park District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Park District's financial statements, transactions or balances for the period ended January 31, 2013.

The Park District'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. Bank reconciliation was not completed for January 2013. The January 2013 bank statement agreed to the accounting ledger for the Park District.

Reconciling cash is a critical control in assuring all transactions are posted accurately and in the proper accounting period. Unidentified differences result in inaccurate fund cash balance information, and conceivably could cause deficit spending. The fiscal officer should review transactions recorded since the last reconciliation and correct the error.

Also, the Park District's small size requires governing board involvement with critical accounting processes (such as bank reconciliation) to compensate for the inability to segregate these duties. The absence of these reviews may be a material weakness in internal accounting control, resulting in inaccurate cash balances, or even undetected theft. Our prior audit also reported this deficiency.

2. Required budgetary documents were not prepared by the Park District for the period ended January 31, 2013. The Park District was required to prepare a Certificate of Estimated Resources, Annual Appropriation Resolution, and an Annual Budget. These documents were not prepared for the period ended January 31, 2013 and the Park District did not utilize purchase orders. Additionally, the Park District did not have an active Board during the period ended January 31, 2013.

The Park District should prepare all required budgetary documents and monitor the related activity to reduce the possibility of negative fund balances. The budget should be amended if significant fluctuations from original estimate are expected. Failure to have an active Board in place resulted in no governing of the Park District's operations. Without an active Board meeting regularly, there was no monitoring of the Park District's financial or operational matters, and no formal record of any matters involving the District.

Current Year Observations (Continued)

Additionally the Fiscal Officer should certify that the funds are or will be available prior to the obligation by the Park District to improve controls over disbursements, reduce the possibility of the Park District's funds exceeding budgetary spending limitations, and reduce financial reporting errors. When prior certification is not possible, "then and now" certification should be used. A review should be performed periodically to help assure that outstanding obligations have been certified and recorded in the budgetary accounting system and on the year-end financial statements. Our prior audit also reported this deficiency.

Current Status of Matters we Reported in our Prior Engagement

3. In addition to the matters reported in items 2 and 3 above, our prior audit for the years ended December 31, 2012 and 2011 included additional finding related to failure to file annual financial statements with the Auditor of State, and the classification of revenues and expenditures on the financial statements. These findings were not corrected for the period ended January 31, 2013.

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

March 19, 2013



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SPRING VALLEY PARK DISTRICT

GREENE 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 2, 2015**