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**BARTLOW TOWNSHIP  
HENRY COUNTY  
Agreed-Upon Procedures  
For the Years Ended December 31, 2016 and 2015**

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# Dave Yost • Auditor of State

Board of Trustees  
Bartlow Township  
140 South Wood Street P.O. Box 41  
Deshler, Ohio 43516

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of Bartlow Township, Henry County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2015 through December 31, 2016. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

## Finding for Recovery Resolved Under Audit – Fiscal Officer Compensation

Ohio Rev. Code § 507.09(A-B), as effective on September 29, 2011, provides that in calendar year 2015, a township fiscal officer is entitled to compensation of \$14,147 for a township having a budget of more than five hundred thousand but not more than seven hundred fifty thousand dollars.

The Township Fiscal Officer was paid a total salary of \$16,977 during calendar year 2015 resulting in an overpayment of \$2,830.

Based on the Official Amended Certificate of Estimated Resources approved by the County Budget Commission, the Township's annual budget for 2015 was between \$500,001 and \$750,000. The Fiscal Officer was paid based on an annual budget between \$750,001 and \$1,500,000.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Diane Hoops, Fiscal Officer in the amount of \$2,830, \$1,698 in favor of the Bartlow Township General Fund and \$1,132 in favor of the Bartlow Township Gasoline Tax Fund.

We recommend the Township utilize the annual compensation amounts provided by Ohio Rev. Code Sections 505.24 and 507.09 to determine the compensation for Township officials.

On May 23, 2017, the budget commission approved an amended certificate that correctly included estimated receipts (due to a clerical error, the previous submission incorrectly only included fund balances) and placed the Township in the proper compensation category. This finding for recovery is considered resolved under audit.

## Finding for Recovery Resolved Under Audit – Trustee Compensation

Ohio Rev. Code § 505.24(A-B), as effective on September 29, 2011, provides that in calendar year 2015, township trustees are entitled to compensation of \$45.02 per day for not more than 200 days for a township having a budget of more than five hundred thousand but not more than seven hundred fifty thousand dollars.

The three Township Trustees were paid \$51.44 per day for 200 days (\$10,288) during calendar year 2015 resulting in an overpayment of \$1,284.

Based on the Official Amended Certificate of Estimated Resources approved by the County Budget Commission, the Township's annual budget for 2015 was between \$500,001 and \$750,000. The Township Trustees were paid based on an annual budget between \$750,001 and \$1,500,000.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery is hereby issued for money illegally expended against Township Trustees William Jackson, Nathan Panning, and Dennis Panning in the amount of \$1,284 each, \$155 in favor of the Bartlow Township General Fund and \$1,129 in favor of the Bartlow Township Gasoline Tax Fund, respectively.

We recommend the Township utilize the annual compensation amounts provided by Ohio Rev. Code Sections 505.24 and 507.09 to determine the compensation for Township officials.

On May 23, 2017, the budget commission approved an amended certificate that correctly included estimated receipts (due to a clerical error, the previous submission incorrectly only included fund balances) and placed the Township in the proper compensation category. This finding for recovery is considered resolved under audit.

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. Bartlow Township is responsible for compliance with these laws and regulations.



Dave Yost  
Auditor of State

August 22, 2017

**BARTLOW TOWNSHIP  
HENRY COUNTY**

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

June 16, 2017

Bartlow Township  
Henry County  
140 South Wood Street P.O. Box 41  
Deshler, Ohio 43516

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of **Bartlow Township**, Henry County (the Township) and the Auditor of State, on the receipts, disbursements and balances recorded in the Townships cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Township. The Township is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Township. 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

1. We recalculated of the December 31, 2016 and December 31, 2015 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2015 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2014 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2016 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2015 balances in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2016 and 2015 fund cash balances reported in the Fund Status Reports. The amounts agreed.



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**Cash (Continued)**

4. We confirmed the December 31, 2016 bank account balance with the Township's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2016 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2016 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. There were no exceptions.

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

1. We haphazardly selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2016 and one from 2015:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the Revenue Ledger. The amounts agreed.
  - b. We inspected the Revenue Ledger to confirm the receipt was allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We inspected the Revenue Ledger to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the Revenue Ledger to determine whether it included two real estate tax receipts for 2016 and 2015. We noted the Revenue Ledger included the proper number of tax receipts for each year.
3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2016 and all from 2015. We also haphazardly selected five receipts from the County Auditor's Appropriation History Report from 2016 and five from 2015.
  - a. We compared the amount from the above reports to the amount recorded in the Revenue Ledger. The amounts agreed.
  - b. We inspected the Revenue Ledger to determine that these receipts were allocated to the proper funds. We found no exceptions.
  - c. We inspected the Revenue Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.

**Debt**

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2014.
2. We inquired of management, and inspected the Revenue Ledger and Appropriation Ledger for evidence of debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. We noted no new debt issuances or any debt payment activity during 2016 or 2015.



**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2016 and one payroll check for five employees from 2015 from the Wage Withholdings Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wage Withholdings Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). In 2015, the Township's budget was increased and the next compensation level was allowable. Starting in August 2015, the elected officials' compensation was increased during the rest of the year to make up the difference. We found no other exceptions.
  - b. We inspected the fund and account codes to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2016 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 2015. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2017	December 30, 2016	\$ 1,211.21	\$ 1,211.21
State income taxes	January 15, 2017	December 30, 2016	\$ 37.20	\$ 37.20
OPERS retirement	January 30, 2017	December 30, 2016	\$ 1,049.66	\$ 1,049.68

3. For the pay periods ended March 15, 2016 and August 29, 2015, we recomputed the allocation of the Fiscal Officer's and Boards' salaries to the General and Gasoline Tax Fund per the Wage Withholdings Detail Report. We found no exceptions.
4. For the pay periods described in the preceding step, we traced the Fiscal Officer's and Boards' salary for time or services performed to supporting certifications the Revised Code requires. We found no exceptions.
5. We inquired of management and inspected the Wage Withholdings Detail Report for the years ended December 31, 2016 and 2015 to determine if township employees and/or trustees were reimbursed for out-of-pocket insurance premiums. We noted no such reimbursements.

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Cash Journal for the year ended December 31, 2016 and ten from the year ended 2015 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.

### **Non-Payroll Cash Disbursements (Continued)**

- 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 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, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Section 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

### **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, Motor Vehicle Tax and Gasoline Tax funds for the years ended December 31, 2016 and 2015. The amounts agreed.
2. We inspected the appropriation measures adopted for 2016 and 2015 to determine whether, for the General, Motor Vehicle License Tax and Gasoline Tax 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 Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriations Status Report for 2016 and 2015 for the following funds: General, Motor Vehicle License Tax, and Gasoline Tax Funds. The amounts on the Appropriation Resolutions agreed to the amounts recorded in the Appropriation Status report.
4. Ohio Rev. Code Sections 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, Motor Vehicle License Tax, and Gasoline Tax funds for the years ended December 31, 2016 and 2015. 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, 2016 and 2015 for the General, Motor Vehicle License Tax and Gasoline Tax fund, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.

### **Compliance – Budgetary (Continued)**

6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the Revenue Ledger for evidence of new restricted receipts requiring a new fund during December 31, 2016 and 2015. We also inquired of management regarding whether the Township received new restricted receipts. We observed no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the Township to establish a new fund.
7. For funds existing in prior years, inspect the fund activity to determine whether the fund is still being used for the statutorily approved purpose and that all the required funds were established. We noted all the required funds were established and no funds for which the statutorily approved purpose was no longer valid were included on the accounting records.
8. We inspected the 2016 and 2015 Revenue Status Reports and Appropriation Status Reports for evidence of interfund transfers exceeding \$1,000 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.
9. 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.
10. We inspected the Cash Summary by Fund Report for the years ended December 31, 2016 and 2015 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. We noted no funds having a negative cash fund balance.

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

We inquired of management and inspected the Payment Register Detail Report for the years ended December 31, 2016 and 2015 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.

### **Other Compliance**

1. Ohio Rev. Code Section 117.38 requires townships to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We confirmed the Township filed their financial statements, as defined by AOS Bulletin 2016-007 within the allotted timeframe for the years ended December 31, 2016 and 2015. The financial information was filed by the required dates.

**Other Compliance (Continued)**

2. We inquired of the fiscal officer and/or inspected the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html>) to determine whether the fiscal officer obtained the training required by Ohio Rev. Code Section 507.12 and 733.81. We noted the Fiscal Officer's term started 4/1/16. The Fiscal Officer still has the rest of her new term to complete the required training. No exceptions noted.

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. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Township's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is for the use of the Township to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2016 and 2015, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio



# Dave Yost • Auditor of State

**BARTLOW TOWNSHIP**

**HENRY 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 5, 2017**