



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Evergreen Union Cemetery
Pike County
133 Columbia Drive
Waverly, Ohio 45690

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Evergreen 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, 2016 and 2015, 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

1. We tested the mathematical accuracy of the December 31, 2016 and December 31, 2015 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2015 beginning balance recorded in the General Ledger 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 General Ledger to the December 31, 2015 balances in the General Ledger. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2016 and 2015 cash balances reported in the General Ledger. In 2016, we found a \$180 variance between reconciliation and General Ledger, this was due to a check voided in the subsequent year. In 2015, we found no exception.
4. We confirmed the December 31, 2016 bank account balances with the Cemetery'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. We noted no exceptions.

Other Confirmable Cash Receipts

1. We agreed amounts paid from the Pee Pee Township during 2015 and 2016, as documented on Confirmation Letter to Auditor of State dated March 20, 2017 to the Cemetery Transaction Detail by Account Report. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper account codes(s). We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Burial Fees

We haphazardly selected 10 cash receipts for burial fees from the year ended December 31, 2016 and 10 cash receipts for burial fees from the year ended 2015 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Transaction Detail by Account 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.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2014.
2. We inquired of management, and scanned the Transaction Detail by Account Report for evidence of debt issued during 2015 and 2016 and debt payment activity during 2015 and 2016. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of note debt activity for 2016 and 2015 and agreed principal and interest payments from the related debt short-term debt to payments reported in the Transaction Detail by Account Report. We also compared the date the debt service payments were due to the date the Cemetery made the payments. We found the following exceptions: Debt Proceeds and Debt Payments were posted as Other Income ("Misc") causing the net effect to be reported on the financial statements. Debt Proceeds should have been reported in the amount of \$60,050 and debt payments should have been reported as Principal in the amount of \$60,050, and Interest and other Fiscal Fees in the amount of \$387.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Transaction Detail by Account Report. Debt proceeds were posted as Other Income ("Misc") as discussed above. Debt Proceeds recorded by clerk were understated by \$50, for related fees included in a loan.
5. For new debt issued during 2015, we inspected the debt legislation, noting the Cemetery must use the proceeds to pay operating expenses. We scanned the Transaction Detail by Account Report and noted the Cemetery repaid debt April 1 and October 7, 2015 and issued no new debt after receipt of new levy revenues in 2016.

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 Employee Earnings Summary and:
 - a. We compared the hours and pay rate, or salary recorded in the Employee Earnings Summary to supporting documentation of timecards. We found that new hire and seasonal employees' pay rate was not documented upon hire or seasonal return.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
 - c. We determined whether the account code to which the check was posted were reasonable based on the employees' duties as documented in their personnel file. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Department(s) and fund(s) to which the check should be charged
 - d. Retirement system participation and payroll withholding
 - e. Federal, State & Local income tax withholding authorization and withholding
 - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above, except that new hire and seasonal employees' pay rate was not documented upon hire. However, all new hire and seasonal workers were paid same starting wage of \$7.25 with pay increase being noted in the minutes. We recommend the Cemetery maintain all documentation to support wages paid and deductions withheld.

3. We scanned 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 2016. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2017	January 5, 2017	\$792.04	\$792.04
State income taxes	January 17, 2017	January 4, 2017	147.02	147.02
Local income tax	January 15, 2017	January 4, 2017	252.90	252.90
OPERS retirement	January 31, 2017	January 4, 2017	1,691.30	1691.30

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Transaction Detail by Account Report 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.
 - 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 Transaction Detail by Account 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 the following exception: two expenditures for repair for damage to cemetery related to an automobile accident were netted against revenue line of Other Income ("Misc"). Expenditures for \$2,700 and \$5,700, totaling \$8,400 should have been paid from the contract repairs line.

Compliance – Budgetary

1. We scanned 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.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the Entity filed their financial information within the allotted timeframe for the years ended December 31, 2016 and 2015. No exceptions noted.

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.



Dave Yost
Auditor of State

Columbus, Ohio

March 30, 2017



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EVERGREEN UNION CEMETERY

PIKE 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 18, 2017**