



Dave Yost • Auditor of State



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Mt. Carmel Joint Cemetery
Champaign County
1458 Kennard Kingscreek Road
Urbana, Ohio 43078

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Mt. Carmel Joint Cemetery, Champaign County, (the Cemetery) for the years ended December 31, 2016 and 2015.

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 Cemetery's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Cemetery's financial statements, transactions or balances for the years ended December 31, 2016 or 2015.

The Cemetery'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. We scanned payroll transactions for the years ended December 31, 2016 and 2015. We determined federal, state, and Medicare taxes were not withheld during fiscal year 2015 for the Clerk, employees, or Board of Trustees and not withheld for the Board of Trustees during fiscal year 2016. **26 U.S.C. §3402** requires every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables or computational procedures prescribed by the Secretary of Treasury.

In addition, **Ohio Rev. Code §5747.06** requires every employer maintaining an office or transacting business within this state and making payment of any compensation to an employee who is a taxpayer shall deduct and withhold from such compensation for each payroll period a reasonable estimate of the amount of state and school district income tax which will be due.

Additionally, **26 U.S.C. §3102** requires the deduction of Medicare tax from wages of employees hired on or after April 1, 1986.

The Cemetery did not calculate and/or withhold federal tax for employees, Clerk or Board of Trustees during 2015 and 2016. Additionally, the Cemetery did not withhold State or Medicare tax for the Board of Trustees during 2015 and 2016. The Cemetery did however withhold school district taxes and retirement in some instances. Due to the limited wages employees received, other withholdings may not have been required. To comply with the above mentioned codes, the Cemetery should implement procedures to determine and document if withholdings are necessary for all employees based on pay rates. The Cemetery should also contact the appropriate agencies to determine if prior amounts should be remitted. Our prior audit also reported this noncompliance.

Current Status of Matters we Reported in our Prior Engagement

2. Our prior audit for the years ended December 31, 2014 and 2013 included noncompliance with **Ohio Rev. Code §117.38**, which requires cash-basis entities to file annual reports with the Auditor of State within 60 days of the fiscal year-end. The Cemetery filed the 2015 and 2016 annual reports with the Auditor of State within the required timeframe.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State
Columbus, Ohio

March 13, 2017



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MT. CARMEL JOINT CEMETERY

CHAMPAIGN 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
MARCH 23, 2017**