



Dave Yost • Auditor of State



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August 29, 2018

Morrow County Land Reutilization Corporation
Morrow County
48 East High Street
Mount Gilead, Ohio 43334

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Morrow County Land Reutilization Corporation, Morrow County, (the Corporation) for the years ended December 31, 2017 and 2016.

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 Corporation's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Corporation's financial statements, transactions or balances for the years ended December 31, 2017 and 2016.

The Corporation'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.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

1. Ohio Rev. Code § 1724.05 and 1726.11 state that land reutilization corporations reporting on a GAAP basis must file annual reports with the Auditor of State's HINKLE system within 120 days of the close of the fiscal year end. We noted the Corporation did not file its annual financial report to the HINKLE system for the years ended December 31, 2016 and December 31, 2017, until August 1, 2018 and August 6, 2018, respectively. The deadline for the Corporation to file their annual financial report was on April 30, 2017, and April 30, 2018, respectively.

Current Year Observations (Continued)

2. Ohio Rev. Code §149.351 requires that all records that are the property of the public office shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under Ohio Rev. Code Sections 149.38 through 149.42. During review of disbursements it was noted that supporting documentation was not maintained for any of the five disbursements made during 2017. Per review of vendors, checks are for a proper public purpose and are allowable disbursements for the Corporation. Failure to maintain organized underlying documentation and support of financial transactions can increase the risk of fraud, inaccurate financial statements, and expenditures that are not for a proper public purpose. We recommend the Corporation maintain all supporting documentation for all disbursements.

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

August 29, 2018



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MORROW COUNTY LAND REUTILIZATION CORPORATION

MORROW 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 11, 2018**