



OHIO AUDITOR OF STATE
KEITH FABER





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BASIC AUDIT REPORT

Monroe Township
Guernsey County
12345 Ash Road
Newcomerstown, Ohio 43832

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Monroe Township, Guernsey County, (the Township) for the years ended December 31, 2023 and 2022.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the Township's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Township's financial statements, transactions or balances for the years ended December 31, 2023 and 2022.

The Township's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 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. We noted the Township had numerous stale dated checks included on the December 31, 2023 bank reconciliation in the cumulative amount of \$13,614. Outstanding checks not cleared at the bank during a reasonable time should be investigated and removed from the outstanding checklist. The practice of carrying long outstanding reconciling items on the books could lead to difficulties in the reconciliation of the Township's cash balance. The Township should investigate any long outstanding checks and remove them from the outstanding checklist and place them in an Unclaimed Monies Fund after a pre-determined amount of time has passed and the check has not cleared the bank. After the check is placed in an Unclaimed Monies Fund, if the check is not cashed after five years, the money would revert to the General Fund of the Township. The prior audit also reported this deficiency.
2. We noted \$1,804 and \$2,074 in interest for 2023 and 2022, respectively, was posted to Principal Retirement instead of Interest and Fiscal Charges. The Township should post principal and interest payments to the ledgers according to the amounts on the amortization schedule. The prior audit also reported this deficiency.
3. We noted cell phone reimbursements totaling \$400 in 2023 were paid from the Permissive Motor Vehicle License Tax Fund when it should have been paid from the General Fund. Ohio Rev. Code § 5705.10(I) states money paid into any fund shall be used only for the purposes for which such fund is established. The Township should implement controls to help ensure all transactions are reviewed to help ensure posting to the proper funds. The Township has made this adjustment.

Current Year Observations (Continued)

4. We noted the Township properly withheld \$1,658 and \$1,535 of state taxes for 2023 and 2022, respectively; however, the Township did not remit these monies to the State of Ohio. According to the Withholdings Summary – Unpaid Report in UAN there were also prior years' state taxes unremitted to the State of Ohio as of December 31, 2021. Ohio Rev. Code § 5747.07(B) requires every employer required to deduct and withhold any state income tax under § 5747.06 of the Revised Code to file a return and pay the amount required by law. The Township should make a complete filing with the State of Ohio as soon as possible. This matter will be referred to the Ohio Department of Taxation.
5. We noted the Township properly withheld a total of \$2,771 and \$2,680 for employee and employer Medicare taxes for 2023 and 2022, respectively; however, these withholdings were not remitted to the Internal Revenue Service (IRS). Further, we noted the Township properly withheld \$7,666 and \$7,613 of federal income taxes during 2023 and 2022, respectively; however, these withholdings were not remitted to the Internal Revenue Service. According to the Withholdings Summary – Unpaid Report in UAN there were also prior years' Medicare and federal taxes unremitted to the IRS as of December 31, 2021. 26 U.S. Code § 3403 states the employer shall be liable for the payment of the tax required to be deducted and withheld under 26 U.S. Code § 3102 and 26 U.S. Code § 3402 and shall not be liable to any person for the amount of any such payment. The Township should make a complete filing with the Internal Revenue Service as soon as possible. This matter will be referred to the Internal Revenue Service.
6. We noted in April 2023 a seasonal employee had gross wages of \$4,051; however, only \$2,101 of his gross wages was reported to the Ohio Public Employees Retirement System. This resulted in \$468 in employee and employer OPERS that was withheld but not remitted to OPERS. Ohio Rev. Code § 145.03(A) states a public employees retirement system is hereby created for the public employees of the state and of the several local authorities mentioned in § 145.01 of the Revised Code. Except as provided in division (B) of this section, membership in the system is compulsory upon being employed and shall continue as long as public employment continues. Ohio Rev. Code § 145.47(B) states the head of each state department, institution, board, and commission, and the fiscal officer of each local authority subject to this chapter, shall transmit to the system for each contributor subsequent to the date of coverage an amount equal to the applicable per cent of each contributor's earnable salary at such intervals and in such form as the system shall require. The head of each state department and the fiscal officer of each local authority subject to this chapter shall transmit promptly to the system a report of contributions at such intervals and in such form as the system shall require, showing thereon all the contributions and earnable salary of each contributor employed, together with warrants, checks, or electronic payments covering the total of such deductions. Ohio Rev. Code § 145.48(A) states each employer shall pay to the public employees retirement system an amount that shall be a certain per cent of the earnable salary of all contributors to be known as the "employer contribution," except that the public employees retirement board may raise the employer contribution to a rate not to exceed fourteen per cent of the earnable salaries of all contributors. The Township should make a complete filing with OPERS as soon as possible. This matter will be referred to the Ohio Public Employees Retirement System.
7. We noted the Township has not adopted a public records policy. Ohio Rev. Code § 149.43(E)(2) provides that every public office must have a policy in place for responding to public records requests. Generally, a public records policy cannot: (1) limit the number of public records the office will make available to a single person; (2) limit the number of public records the office will make available during a fixed period of time; and (3) establish a fixed period of time before the office will respond to a request for inspection/copying of public records unless that period is less than eight hours. However, pursuant to Ohio Rev. Code § 149.43(B)(7)(c), the policy may limit the number of public records the public office will physically deliver by U.S. Mail or other delivery service to ten per month unless the person certifies to the office in writing that the person does not intend to use or forward the requested records, or the information contained in them, for commercial purposes.

Current Year Observations (Continued)

“Commercial” is narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research.

Ohio Rev. Code § 149.43(E)(2) further requires all public offices take certain actions with regard to their public record policy. Public offices must distribute their Public Records Policy to the employee who is the records custodian/manager or otherwise has custody of the records of that office and have that employee acknowledge receipt of the Public Records Policy; create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy; and, if the public office has a manual or handbook of its general policies and procedures for all employees, include the public records policy in that manual or handbook. The Township should establish a public records policy in accordance with the aforementioned Ohio Revised Code Sections. We recommend that the Township establish a public records policy in accordance with the Ohio Revised Code § 149.43(E)(2). The prior audit also reported this deficiency.

8. We noted the Township did not have a formal records retention schedule. Ohio Rev. Code § 149.43(B)(2) states, in part, a public office shall have available a copy of its current records retention schedule at a location readily available to the public. Ohio Rev. Code § 149.381 states, in part, when a records commission has approved a schedule of records retention, the records commission shall send that schedule of records retention to the Ohio History Connection for its review. Upon completion of its review, the Ohio History Connection shall forward the schedule of records retention to the auditor of state for the auditor of state’s approval or disapproval. The Township should adopt a formal records retention schedule and send it to the Ohio History Connection for review. We recommend that the Township establish a records retention policy in accordance with the Ohio Rev. Code § 149.43(B)(2) and send it to the Ohio History Connection for review. The prior audit also reported this deficiency.
9. We noted one Trustee did not attend public records training for his term ended December 31, 2023. Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1) require all state and local elected officials, or their designees, to attend 3 hours of training on Ohio’s Public Records Laws during each term of office. The training received must be certified by the Ohio Attorney General. Proof of completion of training must include documentation either from the Attorney General’s Office or from another entity certified by the Attorney General to provide the training to the elected official or his/her designee. The elected officials or their designees should attend public records training during their term of office. The prior audit also reported this deficiency.
10. We noted Trustee's Larrick and Waggoner were underpaid by \$186 each in 2023. The Fiscal Officer should contact the Board of Trustees concerning the underpayment in compensation for the Trustees. The Board of Trustees should take formal action to allow the elected officials to receive their statutory compensation amount if so desired.

Current Status of Matters Reported in the Prior Engagement

In addition to the matters reported in items 1 through 11 above, the prior audit for the years ended December 31, 2021 and 2020 included the following:

11. The prior financial audit included a material weakness for debt payments not posted to the UAN accounting system and not included in the financial statements in 2020. This was not reissued in the current engagement.

Current Status of Matters Reported in the Prior Engagement (Continued)

12. The prior financial audit included a material weakness for monthly reconciliations not prepared accurately. There were significant numbers of reconciling items and other adjusting factors that were not identified. This was not reissued in the current engagement.
13. The prior financial audit included a material weakness for the budgetary data for estimated receipts and expenditures not agreeing with the Official Certificate of Estimated Resources or approved appropriations. This issue was not reissued in the current engagement.
14. The prior financial audit included noncompliance with Ohio Rev. Code § 5705.38(A) relating to the appropriation measure for 2021 and 2020 not being filed with the County Auditor. This issue was not reissued in the current engagement.
15. The prior financial audit included noncompliance with Ohio Rev. Code § 5705.39 relating to appropriations exceeding estimated resources. This was not reissued in the current engagement.



Keith Faber
Auditor of State
Columbus, Ohio

December 19, 2024

OHIO AUDITOR OF STATE KEITH FABER



MONROE TOWNSHIP

GUERNSEY COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 12/31/2024

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This report is a matter of public record and is available online at
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