



Dave Yost • Auditor of State





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Chesterhill-Marion Union Cemetery  
Morgan County  
P.O. Box 62  
Chesterhill, Ohio 43728

We have completed certain procedures in accordance with Ohio Rev. Code §117.01(G) to the accounting records and related documents of the Chesterhill-Marion Union Cemetery, Morgan County, Ohio (the Cemetery), for the years ended December 31, 2014 and 2013.

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 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, 2014 and 2013.

The Cemetery'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.

## **Current Status of Matters we Reported in our Prior Engagement**

1. Our prior audit for the years ended December 31, 2012 and 2011 included a noncompliance citation for not issuing a Form 1099 for independent contractors that were paid \$600 or more. This citation has not been addressed during our review. Internal Revenue Code §1.6041-1 states, in part, entities that pay any independent contractors (other than a corporation) \$600 or more during a year must issue a Form 1099.

The Clerk and the Board of Trustees should review the Internal Revenue Code and determine who is required to receive a Form 1099.

2. Our prior audit for the years ended December 31, 2012 and 2011 included a material weakness for not having adequate segregation of duties. This material weakness was not addressed during our review. When designating the public office's system of internal control and specific control activities, management should plan for adequate segregation of duties or compensating controls. The Board of Trustees should perform procedures to monitor the financial activity of the Cemetery.

The small size of the Cemetery's staff did not allow for an adequate segregation of duties, the Cemetery Clerk-Treasurer performed all accounting functions. It is, therefore, important that the Board of Trustees monitor financial activity closely. There was no documentation of the extent to which the Board of Trustees reviewed vouchers for payment, financial reports and records to monitor financial activity of the Cemetery. This could result in unauthorized expenditures, the ledgers of the Cemetery not being posted up-to-date, errors in the reconciliation, and errors and omissions occurring in the Cemetery's annual report without the timely knowledge of the Board of Trustee

**Current Status of Matters we Reported in our Prior Engagement (Continued)**

The Board of Trustees should review financial information on a regular basis. This information should include vouchers for payment, reconciliations, as well as revenue and expenditure activity and balance reports. A periodic review should also be performed on the Cemetery's cash book and deed records to gain assurances that the records are posted up-to-date, in agreement with the presented reports and reflect authorized transactions. The reviews would be documented in the minutes of the Board of Trustees meetings.

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

July 8, 2015



# Dave Yost • Auditor of State

**CHESTERHILL MARION UNION CEMETERY**

**MORGAN 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  
JULY 21, 2015**