



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Village of Crown City
Gallia County
25912 State Route 7 South
Crown City, Ohio 45623

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Village of Crown City, Gallia County, Ohio (the Village), for the years ended December 31, 2021 and 2020.

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 Village's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village's financial statements, transactions or balances for the years ended December 31, 2021 and 2020.

The Village'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. **Ohio Rev. Code § 109.43(B) & 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. Attendees who successfully complete the training will receive a certificate to serve as proof of training.

All of the Village's elected officials with terms ending in 2020 and 2021, did not, during their term of office, attend a required Certified Public Records Training or have an appropriate designee attend a training, due to deficiencies in internal controls over public record laws training procedures and monitoring. This could result in improper education of public offices regarding the offices' duties related to public records requests as well as improper withholding of information from stakeholders.

The elected officials, or their designee(s), should, during their term of office, attend public records training and maintain proof of completion of the training.

Current Year Observations (Continued)

2. **Ohio Rev. Code § 149.43(B)(2)** provides, 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 § 149.43(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. "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 Fiscal Officer noted that he was the custodian, but he was unaware of the public records policy and was not able to locate it. The Village did not create a poster that described its public records policy nor have the policy posted at any of the Village's buildings. The Village also did not make the records retention schedule readily available to the public.

The Fiscal Officer should be made aware of the policy and acknowledge receipt of the copy of the public records policy. The Village should also create a poster that describes its public records policy and post it in all of the Village's buildings. In addition, the records retention schedule should be made readily available to the public.

3. **Ohio Rev. Code § 733.81** states a newly elected or appointed fiscal officer shall complete at least six hours of initial education programs before commencing, or during the first year of office. An additional eighteen hours of continuing education must be completed within the fiscal officer's first term. Twelve hours of training shall be completed for each subsequent term. (Ohio Rev. Code §507.12(B) and (C)) Consider the following training guidelines:

- Training obtained under Ohio Rev. Code §§ 117.44, 109.43 or 135.22 can be applied to the required hours.
- For fiscal officers who are appointed to fill a vacancy, these requirements shall be required proportionate to the time remaining in the vacated office.
- Two hours of ethics instruction shall be included in the continuing education requirements for each term.
- CPAs serving as a fiscal officer may apply hours of continuing education completed under Ohio Rev. Code § 4701.11.
- Fiscal officers who teach approved continuing education course(s) may apply that credit in the same manner as if they had attended the course.

Current Year Observations (Continued)

During the audit period the prior Fiscal Officer's term ended 3/31/2020. The Fiscal Officer should have completed a total of twelve hours of continuing education. Review of the Auditor of State (AOS) online database shows that the Fiscal Officer did not register and has not self-reported any continuing education hours. We also note that the prior Fiscal Officer's last month was in September of 2021 and the current Fiscal Officer was appointed in October of 2021. The current Fiscal Officer still has time to complete the six hours of initial education in the first year and the additional twelve hours for the term.

The Fiscal Officer should complete the required education and register through the AOS on-line database and begin self-reporting continuing education hours. The Fiscal Officer can access the Fiscal Integrity Act portal at <http://www.ohioauditor.gov/fiscalintegrity/default.html>.

4. Reconciliations should be performed by the Utility Clerk for the utility department receipts posted to the Excel spreadsheets to the receipt amounts posted in the UAN system on a monthly basis.

During December of 2021, a monthly reconciliation was not performed between the utility spreadsheet and UAN System. We noted the utility spreadsheet receipt totals did not agree to the amounts posted in the UAN System for December 2021 in the amount of \$461. We note this was mainly due to early or late payments made by utility customers as well as a time lapse between depositing and posting to the UAN system. Without monthly reconciliations being performed and variances investigated and identified, this could lead to errors or theft going undetected for an extended period of time. This could also result in receipts not being properly reflected in the UAN System and in the financial statements.

The Utility Clerk should create an additional tab on the Excel spreadsheet to record monthly receipts and deposits with the date of receipt and date of deposit, as well as the name of the payee and account in which they are paying. The Utility Clerk should then perform reconciliations monthly to ensure the receipt amounts reflected in the utility spreadsheets agree to the amounts posted in the UAN System. Any noted variances should be investigated at that time and documentation maintained to support the identified variance.

5. The following receipt posting errors were noted during the audit:
 - In 2021, a Street Construction Maintenance and Repair Fund receipt in the amount of \$2,180 was incorrectly posted to the State Highway Fund.
 - In 2020, a General Fund receipt of \$116 and a Fire Fund receipt of \$355 were incorrectly posted to the Street Construction Maintenance and Repair Fund in the amount of \$436 and to the State Highway Fund in the amount of \$35.

The Village's UAN accounting system has been adjusted for these errors.

The Fiscal Officer should review the Village handbook for guidance to ensure receipts are posted to the correct funds.

Current Status of Matters Reported in our Prior Engagement

In addition to the matters reported above, our prior audit for the years ended December 31, 2019 and 2018 included the following:

1. A finding for Ohio Rev. Code § 5705.41(D)(1) for not certifying transactions at the time the commitment was incurred. No such occurrences noted during the current period.
2. A finding for errors noted in the financial statements that required audit adjustments or reclassifications. This was not fully corrected per Current Year Observation 5 above.
3. A finding for approved budgeted estimated receipts and approved appropriations not agreeing to amounts posted to the Township's UAN system. Per scan of approved amounts and amounts entered in the UAN system for 2021, we noted amounts entered in the UAN system for estimated receipts and appropriations did not agree to the final approved amounts.
4. A finding for recovery was issued and noted as resolved under audit as a repayment plan was in place. This was fully repaid as of August 30, 21.



Keith Faber
Auditor of State
Columbus, Ohio

September 12, 2022

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF CROWN CITY

GALLIA 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 9/22/2022

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