



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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## BASIC AUDIT REPORT

Paint Township  
Ross County  
Bainbridge, Ohio 45612

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Paint Township, Ross 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 Section 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 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. In 2022, the Township accrued late fees for not timely remitting a report to the ODJFS and incurred a fee of \$50.00 and interest of \$1.77. This could result in questions regarding whether the payment of late fees and accrued fees are considered expenditures for proper public purpose. Expenditures deemed to not be for proper public purpose could result in findings for recovery being issued. The Township should file reports in a timely manner in order to avoid paying penalties and late fees on obligations.
2. Per IRS notice 2013-54, employers would need to withhold taxes before making insurance reimbursement to the employees. Insurance reimbursements were not made in compliance with federal regulations because insurance reimbursements were not net of federal tax withholdings in accordance with IRS Notice 2013-54. The Township should withhold taxes before issuing reimbursement payments to employees to be in compliance with the IRS.

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

1. Our prior agreed upon procedures report for the years ended December 31, 2021 and 2020 reported that homestead and rollback receipts were not always allocated correctly. This issue was not noted in our current year review.

2. Our prior agreed upon procedures report for the years ended December 31, 2021 and 2020 reported that reimbursement receipts from OTARMA for COVID-19 were not always allocated correctly. This issue was not noted in our current year review.
3. Our prior agreed upon procedures report for the years ended December 31, 2021 and 2020 reported that debt proceeds were recorded incorrectly as miscellaneous receipts. This issue was not noted in our current year review.
4. Our prior agreed upon procedures report for the years ended December 31, 2021 and 2020 reported that a Trustee was overpaid. This amount was repaid during the prior audit period. This issue was not noted in our current year review.
5. Our prior agreed upon procedures report for the years ended December 31, 2021 and 2020 reported that the Township did not provide written evidence that the records custodian/manager received the public records policy. Effective February 1, 2022, the Fiscal Officer was appointed the public records custodian/manager. Written evidence was provided indicating that he received the public records policy.
6. Our prior agreed upon procedures report for the years ended December 31, 2021 and 2020 reported that three elected officials whose term ended in the 2020-2021 audit period did not have proof of attendance for public records training. The Trustees designated Dustin Lewis, Fiscal Officer, to attend training on their behalf in 2022. A certificate was provided for the Fiscal Officer attending training on November 17, 2022.
7. In the 2021 and 2020 Agreed Upon Procedures Report, it was reported that the Township was issuing health care reimbursements; however, they were not net of federal tax withholdings in accordance with IRS Notice 2013-54. This issue was not corrected and is noted in Item 2 above.



Keith Faber  
Auditor of State  
Columbus, Ohio

June 13, 2024

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**PAINT TOWNSHIP**

**ROSS 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 6/25/2024**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)