



Dave Yost • Auditor of State



**MADISON TOWNSHIP  
FRANKLIN COUNTY**

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# Dave Yost • Auditor of State

Madison Township  
Franklin County  
4575 Madison Lane  
Groveport, Ohio 43125

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your Township to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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**Dave Yost**  
Auditor of State

July 08, 2011

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Madison Township  
Franklin County  
4575 Madison Lane  
Groveport, Ohio 43125

To the Board of Trustees:

We have audited the accompanying financial statements of Madison Township, Franklin County, Ohio, (the Township) as of and for the years ended December 31, 2010 and 2009. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Township's larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require townships to reformat their statements. The Township has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2010 and 2009 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2010 and 2009.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Madison Township, Franklin County, as of December 31, 2010 and 2009, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

Madison Township  
Franklin County  
Opinion on Financial Statements Prepared in Accordance  
with The Auditor Of State's Accounting Basis  
Independent Accountants' Report  
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The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 08, 2011 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

July 8, 2011



**MADISON TOWNSHIP  
FRANKLIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$ 253,640	\$ 5,854,311	\$ 235,670	\$ 6,343,621
Charges for Services	846	780,349		781,195
Licenses, Permits, and Fees	143,503			143,503
Fines and Forfeitures	32,267	1,100		33,367
Intergovernmental	532,930	2,605,092		3,138,022
Special Assessments	-	102,276		102,276
Earnings on Investments	14,629	741		15,370
Miscellaneous	48,293	84,480		132,773
Total Cash Receipts	<u>1,026,108</u>	<u>9,428,349</u>	<u>235,670</u>	<u>10,690,127</u>
<b>Cash Disbursements:</b>				
Current:				
General Government	507,372			507,372
Public Safety		8,553,638		8,553,638
Public Works	290,389	385,680		676,069
Health	50,352			50,352
Human Services	115,479			115,479
Conservation - Recreation				-
Other				-
Capital Outlay	14,839	217,279		232,118
Debt Service:				
Redemption of Principal		288,719	180,069	468,788
Interest and Other Fiscal Charges			55,601	55,601
Total Cash Disbursements	<u>978,431</u>	<u>9,445,316</u>	<u>235,670</u>	<u>10,659,417</u>
Total Receipts Over/(Under) Disbursements	47,677	(16,967)	-	30,710
Fund Cash Balances, January 1	<u>1,032,059</u>	<u>2,384,393</u>	<u>-</u>	<u>3,416,452</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$ 1,079,736</u></b>	<b><u>\$ 2,367,426</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 3,447,162</u></b>
Reserve for Encumbrances, December 31	<u>\$ 48,629</u>	<u>\$ 235,637</u>	<u>\$ -</u>	<u>\$ 284,266</u>

*The notes to the financial statements are an integral part of this statement.*

**MADISON TOWNSHIP  
FRANKLIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Governmental Fund Types</u>				<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>					
Property and Other Local Taxes	\$ 250,231	\$ 5,839,506	\$ 235,670	\$ -	\$ 6,325,407
Charges for Services	1,336	647,642			648,978
Licenses, Permits, and Fees	140,274				140,274
Fines and Forfeitures	34,680	910			35,590
Intergovernmental	590,040	2,590,863			3,180,903
Special Assessments		101,260			101,260
Earnings on Investments	34,504	1,746			36,250
Miscellaneous	5,436	70,621			76,057
<b>Total Cash Receipts</b>	<u>1,056,501</u>	<u>9,252,548</u>	<u>235,670</u>	<u>-</u>	<u>10,544,719</u>
<b>Cash Disbursements:</b>					
Current:					
General Government	478,554				478,554
Public Safety	225	8,209,925			8,210,150
Public Works	358,860	292,207			651,067
Health	49,089				49,089
Human Services	117,646				117,646
Capital Outlay	9,138	573,344		2,950	585,432
Debt Service:					
Redemption of Principal		288,719	170,296		459,015
Interest and Other Fiscal Charges			65,374		65,374
<b>Total Cash Disbursements</b>	<u>1,013,512</u>	<u>9,364,195</u>	<u>235,670</u>	<u>2,950</u>	<u>10,616,327</u>
<b>Total Receipts Over/(Under) Disbursements</b>	<u>42,989</u>	<u>(111,647)</u>	<u>-</u>	<u>(2,950)</u>	<u>(71,608)</u>
<b>Other Financing Receipts / (Disbursements):</b>					
Other Financing Sources	252,634				252,634
<b>Total Other Financing Receipts / (Disbursements)</b>	<u>252,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>252,634</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over / (Under) Cash Disbursements and Other Financing Disbursements</b>	<u>295,623</u>	<u>(111,647)</u>	<u>-</u>	<u>(2,950)</u>	<u>181,026</u>
<b>Fund Cash Balances, January 1</b>	<u>736,436</u>	<u>2,496,040</u>		<u>2,950</u>	<u>3,235,426</u>
<b>Fund Cash Balances, December 31</b>	<u>\$ 1,032,059</u>	<u>\$ 2,384,393</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,416,452</u>
<b>Reserve for Encumbrances, December 31</b>	<u>\$ 54,585</u>	<u>\$ 526,871</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 581,456</u>

*The notes to the financial statements are an integral part of this statement.*

**MADISON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009**

**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Madison Township, Franklin County, Ohio, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, police and fire protection and emergency medical services.

The Township participates in the Ohio Township Association Risk Management Authority public entity risk pool. Note 7 to the financial statements provide additional information for these entities. This organization is:

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

**B. Accounting Basis**

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Deposits and Investments**

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Money market mutual funds (including STAR Ohio) are recorded at share values the mutual funds report.

**D. Fund Accounting**

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**MADISON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds**

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Fire District Fund - This fund receives fire levy funds for providing security of persons and property to township residents.

Police District Fund - This fund receives money from voted outside millage for police services and related functions.

**3. Debt Service Funds**

This fund accounts for resources the Township accumulates to pay bond and note debt. The Township had the following significant Debt Service Fund:

Bond Retirement - This fund accumulates tax monies for the payment to the Township's Note Retirement.

**4. Capital Project Funds**

This fund accounts for receipts restricted to acquiring or constructing major capital projects. The Township had the following significant capital project fund:

Permanent Improvement Fund - The Township uses monies for improvements of Township Park and Facility.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the function level and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

**MADISON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**E. Budgetary Process (Continued)**

**3. Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2010 and 2009 budgetary activity appears in Note 3.

**F. Property, Plant, and Equipment**

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**2. Equity in Pooled Deposits and Investments**

The Township maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2010	2009
Demand deposits	\$2,977,120	\$2,947,699
Certificates of deposit	467,667	466,381
Total deposits	3,444,787	3,414,080
STAR Ohio	2,375	2,372
Total investments	2,375	2,372
Total deposits and investments	\$3,447,162	\$3,416,452

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institution's public entity deposit pool.

**Investments:**

Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**MADISON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**3. Budgetary Activity**

Budgetary activity for the years ending December 31, 2010 and 2009 follows:

2010 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,612,873	\$1,026,108	(\$586,765)
Special Revenue	11,169,891	9,428,349	(1,741,542)
Debt Service	235,670	235,670	0
Total	\$13,018,434	\$10,690,127	(\$2,328,307)

2010 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,130,084	\$1,027,060	\$103,024
Special Revenue	10,685,861	9,680,953	1,004,908
Debt Service	235,670	235,670	0
Total	\$12,051,615	\$10,943,683	\$1,107,932

2009 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,639,798	\$1,309,135	(\$330,663)
Special Revenue	10,993,840	9,252,548	(1,741,292)
Debt Service	235,670	235,670	0
Capital Projects	0	0	0
Total	\$12,869,308	\$10,797,353	(\$2,071,955)

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,187,948	\$1,068,097	\$119,851
Special Revenue	10,363,171	9,891,066	472,105
Debt Service	235,670	235,670	0
Capital Projects	2,950	2,950	0
Total	\$11,786,789	\$11,194,833	\$591,956

**MADISON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**4. Property Tax**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

**5. Debt**

Debt outstanding at December 31, 2010 was as follows:

	Principal	Interest Rate
Township Facilities Note	\$30,498	5.95%
2007 Park Notes	151,907	5.23%
Total	\$182,405	

The 2006 Township Facilities Note is for fire station renovations and was due in annual installments through 2015. However, the Township made early payments of principal in 2010 and 2009 to close the debt in early 2011.

The 2006 Ohio Park improvement loan is for improvement to Brobst Memorial Park is paid off as of December 31, 2010.

The 2007 Ohio Park Improvement Loan is for improvements to Brobst Memorial Park and is due in annual installments through 2015.

The notes above were not voted debt; however, the Franklin County Auditor requires an allocation from other tax receipts during real estate tax settlement to pay for these obligations.

Amortization of the above debt, including interest, is scheduled as follows:

	Township Facility Note	2007 Park Notes
Year ending December 31:		
2011	\$43,674	\$36,015
2012		36,016
2013		36,016
2014		36,016
2015		36,016
Total	\$43,674	\$180,079

**MADISON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**6. Retirement Systems**

The Township's certified Fire Fighters and full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2010 and 2009, OP&F participants contributed 10% of their wages. For 2010 and 2009, the Township contributed to OP&F an amount equal to 19.5% of full-time police members' wages and 24% of full-time fire fighters' wages, respectively. For 2010 and 2009, OPERS members contributed 10%, of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2010.

**7. Risk Management**

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of OTARMA and provides underwriting, claims, loss control, risk management, and reinsurance services for OTARMA. OTARMA is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides OTARMA with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2009, OTARMA retained \$350,000 for casualty claims and \$150,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective Township.



**MADISON TOWNSHIP  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009  
(Continued)**

**7. Risk Management (Continued)**

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Assets	\$35,855,252	\$38,982,088
Liabilities	<u>(10,664,724)</u>	<u>(12,880,766)</u>
Net Assets	<u>\$25,190,528</u>	<u>\$26,101,322</u>

At December 31, 2010 and 2009, respectively, the liabilities above include approximately \$9.9 and \$12.0 million of estimated incurred claims payable. The assets above also include approximately \$9.5 and \$11.5 million of unpaid claims to be billed to approximately 940 member governments in the future, as of December 31, 2010 and 2009, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2010, the Township's share of these unpaid claims collectible in future years is approximately \$67,923

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

<u>Contributions to OTARMA</u>	
<u>2010</u>	<u>2009</u>
91,788	\$73,979

After one year of membership, a member may withdraw on the anniversary of the date of joining OTARMA, if the member notifies OTARMA in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**8. Subsequent Events**

On June 30, 2011, the Township reimbursed the Internal Revenue Service (IRS) a total of \$252,634 for January 13, 2009 and August 11, 2006 previous overpayments. In addition, The Township reimbursed interest totaling \$255 which makes the total payment to the IRS of \$252,889.

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Madison Township  
Franklin County  
4575 Madison Lane  
Groveport, Ohio 43125

To the Board of Trustees:

We have audited the financial statements of Madison Township, Franklin County, Ohio, (the Township) as of and for the years ended December 31, 2010 and 2009 and have issued our report thereon dated July 8, 2011, wherein we noted the Township followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Madison Township  
Franklin County  
Independent Accountants' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Required by *Government Auditing Standards*  
Page 2

We intend this report solely for the information and use of management, Board of Trustees, and others within the Township. We intend it for no one other than these specified parties.

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

July 8, 2011



# Dave Yost • Auditor of State

**MADISON TOWNSHIP**

**FRANKLIN 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  
AUGUST 2, 2011**