



OHIO AUDITOR OF STATE
KEITH FABER



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Wightman's Grove Conservancy District
Sandusky County
617 Girard Avenue
Marion, Ohio 43302-4919

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of Wightman's Grove Conservancy District, Sandusky County, Ohio (the District) for the years ended December 31, 2018 and 2017.

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 District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2018 and 2017.

The District'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. The District does not maintain a journal of cash activity. Only a check register is used to assemble its transactions which did not include deposits made or a running cash balance. Ohio Admin. Code § 117-2-02(D) directs all public offices to maintain accounting records in a manual or computerized format. Such records should include a cash journal which typically contains the following: the amount, date, receipt number, check number, account code, and any other information necessary to properly classify the transaction. Failure to maintain the required accounting records could lead to misstated or unsupported annual financial reports. The District should maintain a cash journal of all receipts and disbursements. This journal then should be reconciled to the District's checking account activity on a monthly basis.
2. Ohio Rev. Code §117.38 provides that each public office, other than a state agency, shall file a financial report for each fiscal year. The report shall be certified by the proper officer or board and filed with the auditor of state within sixty days after the close of the fiscal year. At the time the report is filed with the auditor of state, the chief fiscal officer shall publish notice in a newspaper published in the taxing district. The notice shall state the financial report has been completed by the public office and is available for public inspection at the office of the chief fiscal officer.

The 2018 and 2017 financial reports were not filed until April 30, 2019 and May 3, 2019, respectively, which are not within sixty days after the close of the fiscal year. Failure to file by the required date could result in penalties of \$25 per day up to a maximum of \$750. The District should file the financial reports within sixty days after the close of the fiscal year.

Current Status of Matter Reported in our Prior Engagement

Our prior audit for the years ended December 31, 2016 and 2015 included a material noncompliance citation due to the failure to adopt appropriations, approve an operating budget or certify the availability of funds. As a result, none of the expenditures made were properly appropriated as required by Ohio Rev. Code § 5705.41(B) nor certified as required by Ohio Rev. Code § 6101.44. The District records transactions only using a checkbook, which does not integrate budgetary information, contrary to Ohio Admin. Code § 117-2-02(C)(1). This finding was not corrected in the current period, as the District failed to adopt appropriations, approve an operating budget, certify the availability of funds and did not integrate budgetary information into their accounting system. Failure to approve and monitor the budget could lead to the Board making misinformed decisions and inhibits their ability to properly monitor the financial activity of the District. The Board should adopt an operating budget and approve appropriations as required by law. These approvals should be documented in the minutes. The Fiscal Officer should also certify the availability of funds as required by law and the District integrate budgetary information into their accounting system. This budgetary information should then be periodically reviewed and approved by the Board.



Keith Faber
Auditor of State

Columbus, Ohio

July 23, 2019

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KEITH FABER



WIGHTMAN'S GROVE CONSERVANCY DISTRICT

SANDUSKY 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 8, 2019**