



**Mary Taylor, CPA**  
Auditor of State



**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

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# Mary Taylor, CPA

Auditor of State

Oxford Township  
Guernsey County  
20995 Johns Lane  
Salesville, Ohio 43778

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 a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government 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 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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**Mary Taylor, CPA**  
Auditor of State

December 15, 2006

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

Oxford Township  
Guernsey County  
20995 Johns Lane  
Salesville, Ohio 43778

To the Board of Trustees:

We have audited the accompanying financial statements of Oxford Township, Guernsey County, (the Township) as of and for the years ended December 31, 2005 and 2004. 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. The Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. 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.

Revisions to GAAP would require the Township to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2005 and 2004. Instead of the combined funds the accompanying financial statements present for 2005 and 2004, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2005 and 2004. 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 the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Township has elected not to reformat its statements. Since this Township does not use GAAP to measure financial statement amounts, 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.

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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, 2005 and 2004 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, 2005 and 2004, or its changes in financial position for the years then ended.

The Township declined to make adjustments to its accounting system for posting errors from the prior audit, which would have:

- decreased the General Fund January 1, 2004 cash fund balance by \$10,459;
- increased the Motor Vehicle License Tax Fund, Special Revenue Fund type, January 1, 2004 cash fund balance by \$1,329;
- increased the Gasoline Tax Fund, Special Revenue Fund type, January 1, 2004 cash fund balance by \$4,592;
- increased the Road and Bridge Fund, Special Revenue Fund type, January 1, 2004 cash fund balance by \$1,318;
- increased the Permissive Motor Vehicle License Tax Fund, Special Revenue Fund type, January 1, 2004 cash fund balance by \$1,517;
- decreased the Cemetery Levy Fund, Special Revenue Fund type, January 1, 2004 cash fund balance by \$1,423;
- increased the Debt Service 3102 Fund, Debt Service Fund type, January 1, 2004 cash fund balance by \$1,703;
- increased the Cemetery Bequest 7001 Fund, Fiduciary Fund type, January 1, 2004 cash fund balance by \$760;
- and increased the Cemetery Bequest 7002 Fund, Fiduciary Fund type, January 1, 2004 cash fund balance by \$663.

In 2005, gasoline excise tax monies were incorrectly posted to the General Fund, in the amount of \$1,358 and these revenues should have been posted to the Debt Service 3102 Fund, Debt Service Fund type, in the amount of \$1,358.

Had the prior audit finding for adjustments and 2005 posting error been properly posted to the Township's accounting system:

- the 2005 General Fund revenues would have been decreased by \$1,358 and the December 31, 2005 cash balance of the General Fund would have been decreased by a cumulative \$11,817;
- the December 31, 2005 cash balance of the Special Revenue Fund would have increased by a cumulative \$7,333;
- the 2005 Debt Service Fund revenues would have been increased by \$1,358 and the December 31, 2005 cash balance of the Debt Service Fund would have been increased by a cumulative \$3,061; and
- the December 31, 2005 cash balance of the Fiduciary Fund would have increased by a cumulative \$1,423.

Also, in our opinion, because of the effect of the matters discussed in the preceding three paragraphs, the financial statements referred to above do not present fairly, in all material respects, the combined fund cash balances of Oxford Township, Guernsey County, as of December 31, 2005 and 2004, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Township to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. 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 December 15, 2006, 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.

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**Mary Taylor, CPA**  
Auditor of State

December 15, 2006

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**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>Governmental Fund Types</b>					<b>Totals (Memorandum Only)</b>
	<b>General</b>	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Debt Service</b>	<b>Fiduciary Funds</b>	
<b>Cash Receipts:</b>						
Local Taxes	\$12,819	\$24,369				\$37,188
Intergovernmental	7,345	74,240	102,010	14,938		198,533
Earnings on Investments	108	3			108	219
Other Revenue	100	1,300				1,400
<b>Total Cash Receipts</b>	<b>20,372</b>	<b>99,912</b>	<b>102,010</b>	<b>14,938</b>	<b>108</b>	<b>237,340</b>
<b>Cash Disbursements:</b>						
Current:						
General Government	16,290					16,290
Public Safety		7,583				7,583
Public Works	621	78,628	69,112			148,361
Health		3,793				3,793
Debt Service:						
Redemption of Principal		459		14,563		15,022
Interest and Fiscal Charges		879		375		1,254
Capital Outlay		4,043	7,443			11,486
<b>Total Cash Disbursements</b>	<b>16,911</b>	<b>95,385</b>	<b>76,555</b>	<b>14,938</b>	<b>0</b>	<b>203,789</b>
<b>Total Cash Receipts Over/(Under)Cash Disbursements</b>	<b>3,461</b>	<b>4,527</b>	<b>25,455</b>	<b>0</b>	<b>108</b>	<b>33,551</b>
<b>Other Financing Receipts and (Disbursements):</b>						
Transfers-In		13,467				13,467
Transfers-Out			(13,467)			(13,467)
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>0</b>	<b>13,467</b>	<b>(13,467)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<b>3,461</b>	<b>17,994</b>	<b>11,988</b>	<b>0</b>	<b>108</b>	<b>33,551</b>
<b>Fund Cash Balances, January 1</b>	<b>5,259</b>	<b>33,172</b>	<b>8</b>	<b>0</b>	<b>7,570</b>	<b>46,009</b>
<b>Fund Cash Balances, December 31</b>	<b>\$8,720</b>	<b>\$51,166</b>	<b>\$11,996</b>	<b>\$0</b>	<b>\$7,678</b>	<b>\$79,560</b>

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

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<b>Governmental Fund Types</b>					<b>Totals (Memorandum Only)</b>
	<b>General</b>	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Debt Service</b>	<b>Fiduciary Funds</b>	
<b>Cash Receipts:</b>						
Local Taxes	\$13,034	\$24,839				\$37,873
Intergovernmental	6,167	114,321	5,014	14,064		139,566
Earnings on Investments	60				134	194
Other Revenue	290	1,252			406	1,948
<b>Total Cash Receipts</b>	<b>19,551</b>	<b>140,412</b>	<b>5,014</b>	<b>14,064</b>	<b>540</b>	<b>179,581</b>
<b>Cash Disbursements:</b>						
Current:						
General Government	19,371					19,371
Public Safety		7,400				7,400
Public Works	589	117,022	4,586			122,197
Health		10,916				10,916
Debt Service:						
Redemption of Principal				16,766		16,766
Interest and Fiscal Charges				2,079		2,079
Capital Outlay		2,600	674			3,274
<b>Total Cash Disbursements</b>	<b>19,960</b>	<b>137,938</b>	<b>5,260</b>	<b>18,845</b>	<b>0</b>	<b>182,003</b>
<b>Total Cash Receipts Over/(Under) Cash Disbursements</b>	<b>(409)</b>	<b>2,474</b>	<b>(246)</b>	<b>(4,781)</b>	<b>540</b>	<b>(2,422)</b>
<b>Other Financing Receipts and (Disbursements):</b>						
Transfers-In		11,365				11,365
Transfers-Out	(477)	(10,888)				(11,365)
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>(477)</b>	<b>477</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<b>(886)</b>	<b>2,951</b>	<b>(246)</b>	<b>(4,781)</b>	<b>540</b>	<b>(2,422)</b>
<b>Fund Cash Balances, January 1</b>	<b>6,145</b>	<b>30,221</b>	<b>254</b>	<b>4,781</b>	<b>7,030</b>	<b>48,431</b>
<b>Fund Cash Balances, December 31</b>	<b>\$5,259</b>	<b>\$33,172</b>	<b>\$8</b>	<b>\$0</b>	<b>\$7,570</b>	<b>\$46,009</b>

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

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND**

**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 Oxford Township, Guernsey County, (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, and fire protection. The Township contracts with the Village of Quaker City, Village of Antrim, Village of Old Washington, and the Village of Fairview to provide fire services.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting 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 adequately disclose material matters the Auditor of State prescribes or permits.

**C. Cash and Investments**

The Township values certificates of deposit at cost.

**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.

**2. Special Revenue Funds**

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

*Gasoline Tax Fund* - This fund receives gasoline tax and motor vehicle license tax money to pay for constructing, maintaining and repairing Township roads.

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting (continued)**

**2. Special Revenue Funds**

*FEMA Fund* - This fund receives funding from the Federal Emergency Management Agency to assist in the repairs of Township roads damaged during declared emergencies.

**3. Capital Projects Funds**

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township had the following significant Capital Project Funds:

*Issue II Fund* – This fund receives funding from the Ohio Public Works Commission, passed through the Guernsey County Engineers Office, to perform repairs on Township roads.

*FEMA Fund* - This fund receives funding from the Federal Emergency Management Agency to assist in the repairs of Township roads damaged during declared emergencies.

**4. Debt Service Funds**

These funds are used to accumulate resources for the payment of bonds and noted indebtedness. The Township had the following significant Debt Service Funds:

*General Note Retirement Fund* – This fund receives an allocation of gasoline tax monies for the repayment of general obligation note debt.

**5. Fiduciary Funds**

Trust funds account for resources restricted by legally binding trust agreements. If the agreement requires the Township to maintain the corpus of the trust, the Township classifies the fund as nonexpendable trust fund. Other trust funds are classified as expendable. The Township had the following significant fiduciary funds:

*Cemetery Trust Funds* – These funds receive interest for the maintenance and upkeep of Township cemetery lots.

**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 fund, function or object level of control, and appropriations may not

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

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. Appropriations lapse at year end.

**2. Estimated Resources**

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

**3. Encumbrances**

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year. The Township did not encumber all commitments required by Ohio law.

A summary of 2005 and 2004 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.

**2. EQUITY IN POOLED CASH**

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

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool. During the year, the Township failed to have adequate collateral pledged.

	<u>2005</u>	<u>2004</u>
Demand deposits	\$73,560	\$40,009
Certificates of deposit	6,000	6,000
Total Deposits	<u>\$79,560</u>	<u>\$46,009</u>

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31 2005 and 2004 follows:

2005 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$18,141	\$20,372	\$2,231
Special Revenue	101,452	113,379	11,927
Debt Service	16,296	14,938	(1,358)
Capital Projects	5,216	102,010	96,794
Fiduciary	400	108	(292)
Total	<u>\$141,505</u>	<u>\$250,807</u>	<u>\$109,302</u>

2005 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$24,648	\$16,911	\$7,737
Special Revenue	124,481	95,385	29,096
Debt Service	16,276	14,938	1,338
Capital Projects	5,216	90,022	(84,806)
Fiduciary	7,164	0	7,164
Total	<u>\$177,785</u>	<u>\$217,256</u>	<u>(\$39,471)</u>

2004 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$17,907	\$19,551	\$1,644
Special Revenue	134,541	151,777	17,236
Debt Service	15,993	14,064	(1,929)
Capital Projects	5,015	5,014	(1)
Fiduciary	0	540	540
Total	<u>\$173,456</u>	<u>\$190,946</u>	<u>\$17,490</u>

2004 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$22,135	\$20,437	\$1,698
Special Revenue	120,821	148,826	(28,005)
Debt Service	18,831	18,845	(14)
Capital Projects	5,260	5,260	0
Fiduciary	7,355	0	7,355
Total	<u>\$174,402</u>	<u>\$193,368</u>	<u>(\$18,966)</u>



**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

Contrary to Ohio law, the Township failed to obtain prior certification on a consistent basis during 2005 and 2004.

Contrary to Ohio law, appropriations were not formally approved by the legislative authority for 2005 and 2004 or certified to the County Auditor by the required date.

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority during 2005 and 2004. See Finding 2005-007 for listing of applicable funds.

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopt 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.

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, 2005 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Lease - Boom Mower	<u>\$9,488</u>	<u>7%</u>

The Township obtained a lease from New Holland Credit for a new tractor to be used for Township road maintenance. The notes are collateralized solely by the Township's taxing authority.

The Township also had two other general obligation notes that were retired during the audit period.

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

	<u>Lease - Boom Mower</u>
Year ending December 31:	
2006	<u>\$9,902</u>
Total	<u>\$9,902</u>

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**6. RETIREMENT SYSTEMS**

The Township's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2005 and 2004, members of OPERS contributed 8.5 percent of their gross salaries. The Township contributed an amount equaling 13.55 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2005.

**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 Government 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. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member townships pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

OTARMA retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. Townships can elect additional coverage, from \$2,000,000 to \$12,000,000 with the General Reinsurance Corporation, through contracts with OTARMA.

If losses exhaust OTARMA's retained earnings, APEEP provides *excess of funds available* coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Coverage

Through 2004, OTARMA retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500 million per occurrence. APEEP's Guarantee Fund was responsible for losses and loss adjustment expenses exceeding operating contributions.

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable value. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2005 was \$1,682,589.

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**7. RISK MANAGEMENT (Continued)**

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

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Members may withdraw on each anniversary of the date they joined OTARMA. They must provide written notice to OTARMA 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contribution, minus the subsequent year's premium. Also upon withdrawal, payments for all property and casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the withdrawal.

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, 2005 and 2004.

<u>Casualty Coverage</u>	<u>2005</u>	<u>2004</u>
Assets	\$30,485,638	\$28,132,620
Liabilities	<u>(12,344,576)</u>	<u>(11,086,379)</u>
Retained earnings	<u>\$18,141,062</u>	<u>\$17,046,241</u>

<u>Property Coverage</u>	<u>2005</u>	<u>2004</u>
Assets	\$9,177,796	\$7,588,343
Liabilities	<u>(1,406,031)</u>	<u>(543,176)</u>
Retained earnings	<u>\$7,771,765</u>	<u>\$7,045,167</u>

The Casualty Coverage assets and retained earnings above include approximately \$11.6 million and \$10.3 million of unpaid claims to be billed to approximately 950 member townships in the future, as of December 31, 2005 and 2004, respectively. OTARMA will collect these amounts in future annual premium billings when OTARMA's related liabilities are due for payment.

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# Mary Taylor, CPA

## Auditor of State

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

Oxford Township  
Guernsey County  
20995 Johns Lane  
Salesville, Ohio 43778

To the Board of Trustees:

We have audited the financial statements of Oxford Township (the Township) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated December 15, 2006, 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 expressed an adverse opinion on our report because the Township declined to make adjustments from prior and current audit for posting errors. We also noted the Township uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Township because the Auditor of State designed, developed, implemented, and, as requested, operates UAN. 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 in order to determine our auditing procedures in order to express our opinion on the financial statements and not to opine on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that in our judgment, could adversely affect the Township's ability to record, process, summarize and report financial data consistent with the assertions in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings as items 2005-007, 2005-008 and 2005-009.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error and fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We consider reportable condition 2005-009 listed above to be a material weakness. In a separate letter to the Township's management dated December 15, 2006, we reported other matters involving internal control over financial reporting which we did not deem reportable conditions.

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### Compliance

As part of reasonably assuring about whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, 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 such an opinion. The results of our tests disclosed instances of noncompliance which are required to be reported under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as items 2005-001 through 2005-007. In a separate letter to the Township's management dated December 15, 2006, we reported other matters related to noncompliance we deemed immaterial.

This report is intended for the information and use of management, audit committee, and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The script is cursive and fluid.

**Mary Taylor, CPA**  
Auditor of State

December 15, 2006

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2005 AND 2004**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2005-001**

**Finding for Adjustment – Not Adjusted from Previous Audit**

Ohio Rev. Code Section 5705.10 (H) states that money paid into any fund may only be used for the purposes for which such fund is established.

In 2001 and 2000, the Township paid for the Township Clerk's health insurance and the employer's portion of the Township Clerk's retirement contributions from funds other than the General Fund. The amounts paid in 2001 were as follows:

Motor Vehicle License Tax Fund	\$894
Gasoline Tax Fund	\$2,202
Road & Bridge Fund	\$727
Permissive MVL Fund	\$482
Total	\$4,305

The amounts paid in 2000 were as follows:

Motor Vehicle License Tax Fund	\$435
Gasoline Tax Fund	\$2,390
Road & Bridge Fund	\$591
Permissive MVL Fund	\$1,035
Total	\$4,451

These funds are restrictive in regards to allowable expenditures. The Township Clerk's normal job duties are administrative in nature and should be paid from the General Fund, which is the fund from which the Township Clerk's salary was paid. The Township declined to make this adjustment from the prior audit.

A finding for adjustment is hereby issued against the General Fund of Oxford Township in the amount of \$8,756, in favor of the Motor Vehicle License Tax Fund in the amount of \$1,329, the Gasoline Tax Fund in the amount of \$4,592, Road and Bridge Fund in the amount of \$1,318, and the Permissive Motor Vehicle License Tax Fund in the amount of \$1,517. This adjustment was not made to the Township's accounting system or posted to the Township's 2003-2002 financial statements.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2005-002**

**Finding for Adjustment – Not Adjusted from Previous Audit**

Ohio Rev. Code Section 5705.10 (C) states that all revenue derived from a special levy shall be credited to a special fund for the purpose for which the levy was made. In addition, all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose is to be paid into a special fund for such purpose.

During 2003, gasoline excise tax monies were incorrectly posted to the General Fund in the amount of \$1,703 instead of to the Debt Service 3102 Fund, Debt Service Fund type, in the amount of \$1,703.

A finding for adjustment is hereby issued against the General Fund of Oxford Township in the amount of \$1,703, and in favor of the Debt Service 3102 Fund, Debt Service Fund type in the amount of \$1703. This adjustment was not made to the Township's accounting system or posted to the Township's financial statements.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**FINDING NUMBER 2005-003**

**Finding for Adjustment – Not Adjusted from Previous Audit**

Ohio Rev. Code Sections 5705.14, 5705.15, and 5705.16 provide guidelines pertaining to allowable inter-fund transfers. In certain circumstances, which are detailed in Ohio Revised Code Section 5705.14, transfers from funds other than the General Fund may be made only by resolution of the taxing authority, passed with an affirmative vote of two-thirds of the members.

In addition to transfers from the General Fund and those permitted by Ohio Rev. Code Section 5705.14, the taxing authority of the political subdivision, with the approval of the Tax Commissioner and the Court of Common Pleas, may transfer from one fund to any other public funds under its supervision, with certain exceptions, which are detailed in Ohio Rev. Code Section 5705.15.

Ohio Rev. Code Section 5705.14 indicates that before an interfund transfer can be made from the General Fund, a resolution of the taxing authority of the political subdivision shall be passed by a majority of the governing board. See also, 1989 Ohio Attorney General Opinion Number 89-075 (Ohio Rev. Code Section 5705.14(E) has been interpreted to require a resolution passed by a simple majority when transferring funds from the general revenue fund to specific funds).

In 2003, the Township transferred \$760 from the Cemetery Bequest 7001 Fund, Fiduciary Fund type, and \$663 from the Cemetery Bequest 7002 Fund, Fiduciary Fund type, to the Cemetery Levy Fund, Special Revenue Fund type, in the amount of \$1,423, without the approval of two-thirds of the Board of Trustees, the Tax Commissioner and the Court of Common Pleas.



**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2005-003 (Continued)**

**Finding for Adjustment – Not Adjusted from Previous Audit (Continued)**

A finding for adjustment is hereby issued against the Cemetery Levy, Special Revenue Fund type, in the amount of \$1,423, in favor of the Cemetery Bequest 7001 Fund, Fiduciary Fund type, in the amount of \$760 and in favor of the Cemetery Bequest 7002 Fund, Fiduciary Fund type, in the amount of \$663. This adjustment was not made to the Township's accounting system or posted to the Township's financial statements.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**FINDING NUMBER 2005-004**

**Finding for Adjustment**

Ohio Rev. Code Section 5705.10 (D) states, in part, that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose is to be paid into a special fund for such purpose.

During 2005, gasoline excise tax monies were incorrectly posted to the General Fund in the amount of \$1,358 instead of to the Debt Service 3102 Fund, Debt Service Fund type, in the amount of \$1,358.

A finding for adjustment is hereby issued against the General Fund of Oxford Township in the amount of \$1,358, and in favor of the Debt Service 3102 Fund, Debt Service Fund type in the amount of \$1,358. This adjustment was not made to the Township's accounting system or posted to the Township's financial statements.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**FINDING NUMBER 2005-005**

**Noncompliance Citation**

Ohio Rev. Code Section 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2005-005 (Continued)**

**Noncompliance Citation - Ohio Revised Code § 5705.41(D)(1) (Continued)**

1. **"Then and Now" certificate** - If the fiscal officer (Clerk) can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the taxing authority (Board of Township Trustees) can authorize the drawing of a warrant for the payment of the amount due. The taxing authority has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Township.

2. **Blanket Certificate** – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against an specific line item account over a period not running beyond the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. **Super Blanket Certificate** – The Township may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line-item appropriation.

The Township did not properly certify the availability of funds prior to purchase commitment for 53% of the expenditures tested in 2005 and for 47% of the expenditures tested in 2004 and there was no evidence that the Township followed the aforementioned exceptions. Without these certifications, the management of the Township lost budgetary control over expenditures and, as more fully explained in Note 3 to the financial statements, this condition allowed noncompliance with Ohio Revised Code section 5705.41(B) to occur.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Township's funds exceeding budgetary spending limitations, we recommend that the Clerk certify that the funds are or will be available prior to an obligation being incurred by the Township. When prior certification is not possible, "then and now" certification should be used.

We recommend the Village certify purchases to which Section 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The fiscal officer should sign the certification at the time the Village incurs a commitment, and only when the requirements of 5705.41(D) are satisfied. The fiscal officer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2005-005 (Continued)**

**Noncompliance Citation and Reportable Condition - Ohio Revised Code § 5705.41(B) (Continued)**

**Officials' Response:**

We did not receive a response from Officials to this finding.

**FINDING NUMBER 2005-006**

**Noncompliance Citation**

Ohio Rev. Code Section 5705.38 (A) states, in part, that on or about the first day of each fiscal year, an appropriation measure is to be passed. If the taxing authority wants to postpone the passage of the annual appropriation measure until an amended certificate is received from the county budget commission based upon the actual year end balances, it may pass a temporary appropriation measure for meeting the ordinary expenses until no later than April 1<sup>st</sup>.

The Township did not approve and certify their appropriation measures for 2004 and 2005 until February 4<sup>th</sup>, 2004 and March 7<sup>th</sup>, respectively. The Township did not approve temporary appropriations during either year. Expenditures in the amounts of \$4,294 and \$12,942 were made prior to appropriations being formally approved during 2004 and 2005, respectively.

We recommend the Board of Trustees approve, and certify to the County Auditor, the annual appropriation measure by January 1st of each year. If the Board of Trustees chooses to postpone passage of this measure until receipt of an Official Certificate of Estimated Resources, temporary appropriations should be approved by the Board of Trustees.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**FINDING NUMBER 2005-007**

**Noncompliance Citation and Reportable Condition**

Ohio Rev. Code Section 5705.41(B) prohibits a subdivision or taxing authority from expending money unless it has been appropriated. During the years ended December 31, 2005 and 2004, the following Township funds had expenditures which exceeded approved appropriations at the legal level of control:

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2005-007 (Continued)**

**Noncompliance Citation and Reportable Condition (Continued)**

**Ohio Rev. Code Section 5705.41(B) (Continued)**

<b>Year</b>	<b>Fund</b>	<b>Appropriation Authority</b>	<b>Disbursements</b>	<b>Variance</b>
2005	FEMA - Miscellaneous		\$3,109	(\$3,109)
2005	FEMA - Supplies		\$69,112	(\$69,112)
2005	FEMA - Transfer Out		\$13,467	(\$13,467)
2005	Gas Tax - Equipment		\$2,432	(\$2,432)
2005	Cemetery - Other Sources		\$2,694	(\$2,694)
2004	General - Medicare		\$737	(\$737)
2004	General - Election Expense	\$200	\$1,100	(\$900)
2004	General - Other	\$870	\$2,276	(\$1,406)
2004	General - Transfer Out		\$477	(\$477)
2004	Gas Tax - PERS	\$2,000	\$3,583	(\$1,583)
2004	Gas Tax - Workers Comp		\$817	(\$817)
2004	Gas Tax - Other	\$5,900	\$14,120	(\$8,220)
2004	Perm MVL - Capital Outlay		\$1,701	(\$1,701)
2004	FEMA - Purchased Services		\$35,094	(\$35,094)
2004	FEMA - Capital Outlay		\$898	(\$898)
2004	FEMA - Transfer Out		\$10,888	(\$10,888)
2004	Debt Service 3101 - Principal	\$2,000	\$8,578	(\$6,578)
2004	Debt Service 3101 - Interest	\$150	\$1,844	(\$1,694)
2004	Debt Service 3102 - Principal	\$6,000	\$8,188	(\$2,188)
2004	OPWC - Repairs		\$4,586	(\$4,586)

The Township Clerk should deny any payment requests exceeding appropriations. We recommend the Township Clerk and Board of Trustees compare expenditures to appropriations on a monthly basis. If appropriations in addition to those already adopted will be needed, then the Board of Trustees should take the necessary steps to adopt additional appropriations, if possible, to prevent expenditures from exceeding appropriations.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2005-008**

**Reportable Condition**

**Estimated Receipts**

All local public offices should integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system. This means designing an accounting system to provide ongoing and timely information on unrealized budgetary receipts and remaining uncommitted balances of appropriations.

The Township did not properly post budgeted receipts, and any amendments made to them, to the accounting system. Variances existed between the certificate of estimated resources and the amounts posted to the accounting system throughout the year. The following table details these variances at year end for both years under audit:

	<u>Fund</u>	<u>Amount Per Last Amended Certificate</u>	<u>Amounts Posted to the Accounting System</u>	<u>Variance</u>
2005				
	General Fund	\$18,141	\$0	(\$18,141)
	Motor Vehicle License Tax Fund	\$9,800	\$0	(\$9,800)
	Gas Tax Fund	\$64,587	\$0	(\$64,587)
	Road and Bridge Fund	\$12,887	\$0	(\$12,887)
	Cemetery Fund	\$6,342	\$0	(\$6,342)
	Fire Fund	\$6,736	\$0	(\$6,736)
	Permissive MVL Fund	\$1,100	\$0	(\$1,100)
	Debt Service Fund	\$16,296	\$0	(\$16,296)
	Issue II Fund	\$5,216	\$0	(\$5,216)
	Cemetery Bequest - 7001	\$200	\$0	(\$200)
	Cemetery Bequest - 7002	\$200	\$0	(\$200)
2004				
	General Fund	\$17,907	\$13,213	(\$4,694)
	Gas Tax Fund	\$56,257	\$60,000	\$3,743
	Fema Fund	\$40,856	\$0	(\$40,856)
	Debt Service Fund - 3101	\$0	\$9,901	\$9,901
	Debt Service Fund - 3102	\$15,993	\$6,780	(\$9,213)
	Cemetery Bequest - 7001	\$0	\$3,000	\$3,000
	Cemetery Bequest - 7002	\$0	\$3,000	\$3,000

Because the information entered into the accounting system was inaccurate, Township management was unable to effectively monitor budgetary activity throughout the year. Because budgeted receipts were unable to be effectively monitored, there was no indication to management when an amended certificate would become necessary.

We recommend the Township post all certificates of estimated receipts as approved by the County Budget Commission to the receipt ledger.

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2005-008 (Continued)**

**Reportable Condition (Continued)**

**Officials' Response:**

We did not receive a response from Officials to this finding.

**FINDING NUMBER 2005-009**

**Material Weakness**

**Transaction Classifications and Postings**

All local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply), document compliance with finance-related legal and contractual requirements and prepare financial statements. The Township had no control procedure to ensure the accuracy of revenue and expenditure line account and fund postings. Throughout the audit period, numerous receipts and expenditures were not posted into accurate fund and/or line item account classifications based on the source of the receipt or purpose of the expenditure.

As a result, multiple revenue and expenditure accounts were materially misstated. Furthermore, this resulted in numerous reclassifications and/or adjustments being made to the financial statements to ensure accurate presentation of receipts, expenditures, and applicable fund balances.

Had the prior audit finding for adjustments and 2005 posting error been properly posted to the Township's accounting system:

- the 2005 General Fund revenues would have been decreased by \$1,358 and the December 31, 2005 cash balance of the General Fund would have been decreased by a cumulative \$11,817;
- the December 31, 2005 cash balance of the Special Revenue Fund would have increased by a cumulative \$7,333;
- the 2005 Debt Service Fund revenues would have been increased by \$1,358 and the December 31, 2005 cash balance of the Debt Service Fund would have been increased by a cumulative \$3,061; and
- the December 31, 2005 cash balance of the Fiduciary Fund would have increased by a cumulative \$1,423.

We recommend the Township Clerk review guidance within the Uniform Accounting Network Accounting Manual under Township Chart of Accounts. This guidance will allow the Township Clerk to make proper postings to revenue and expenditure account classifications based on the source of the revenue or purpose of the expenditure. Someone independent of the Township Clerk, preferably a member of the Board of Trustees, should periodically review postings to the accounting system for accuracy.

**Officials' Response:**

We did not receive a response from Officials to this finding.

**OXFORD TOWNSHIP  
GUERNSEY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2005 AND 2004**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i><b>Explain:</b></i>
2003-001	Ohio Rev. Code Section 5705.10 – Finding for Adjustment	No	Not Corrected –Finding will be repeated as Finding Number 2005-001
2003-002	Ohio Rev. Code Section 5705.10 – Finding for Adjustment	No	Not Corrected –Finding will be repeated as Finding Number 2005-002
2003-003	Ohio Rev. Code Section 5705.14 and 5705.16 – Finding for Adjustment	No	Not Corrected –Finding will be repeated as Finding Number 2005-003
2003-004	Ohio Rev. Code Section 5705.39 – Appropriations exceeding Estimated Resources	Yes	Finding No Longer Valid
2003-005	Ohio Rev. Code Section 5705.41 (B) – Expenditures exceeding Appropriations	No	Not Corrected –Finding will be repeated as Finding Number 2005-007
2003-006	Ohio Rev. Code Section 5705.41 (D) – Invoice dates preceding purchase order dates	No	Not Corrected –Finding will be repeated as Finding Number 2005-005
2003-007	Receipt ledger classifications and postings	No	Not Corrected –Finding will be repeated as Finding Number 2005-009
2003-008	Posting of budgetary amounts to the accounting system	No	Partially Corrected –Finding will be repeated in the Management Letter
2003-009	Monthly reconciliations	No	Partially corrected – Finding will be repeated in the Management Letter







**Mary Taylor, CPA**  
Auditor of State

**OXFORD TOWNSHIP**

**GUERNSEY 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  
FEBRUARY 27, 2007**