



## Management Letter

Board of Trustees  
Clay Township  
Montgomery County  
8207 Arlington Road  
Brookeville, Ohio 45309

In accordance with *Government Auditing Standards*, we have audited the financial statements cash balances, receipts and disbursements by fund type, and related notes of Clay Township, Montgomery County, Ohio (the Township) as of and for the years ended December 31, 2017 and 2016, and have issued our report thereon dated July 27, 2018

*Government Auditing Standards* also require that we describe the scope of our testing of compliance with laws and regulations and internal control over financial reporting and report any irregularities, illegal acts, other material noncompliance and significant deficiencies in internal controls. We have issued the required report dated July 27, 2018, for the years ended December 31, 2017 and 2016.

We are also submitting for your consideration the following comments on the Township's compliance with applicable laws and regulations and on its internal controls. These comments reflect matters that, while in our opinion do not represent material instances of noncompliance or significant internal control deficiencies, we believe represent matters for which improvements in compliance or internal controls or operational efficiencies might be achieved. Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing these recommendations suggested below. However, these comments reflect our continuing desire to assist your government. If you have any questions or concerns regarding these comments please do not hesitate to contact us.

### Noncompliance

1. Ohio Rev. Code § 117.38, entities filing on a cash-basis must file annual reports with the Auditor of State within 60 days of the fiscal year-end. The Auditor of State may prescribe by rule or guidelines the forms for these reports. However, if the Auditor of State has not prescribed a reporting form, the public office shall submit its report on the form used by the public office.

Per review of the Hinkle System it was noted that Clay Township did not file the required financial statements within 60 days of fiscal year-end for 2016 and 2017.

We recommend that Township implement the necessary internal controls to ensure that the required filing is completed in a timely manner.

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

*BHM CPA Group*

BHM CPA Group, Inc.  
Piketon, Ohio  
July 27, 2018