



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Ashland Public Library  
Ashland County  
224 Claremont Avenue  
Ashland, Ohio 44805

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Ashland Public Library, Ashland County, Ohio (the Library) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2012 and 2011, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

### Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2012 and December 31, 2011 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2011 beginning fund balances recorded in the YTD Fund Report to the December 31, 2010 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2012 beginning fund balances recorded in the YTD Fund Report to the December 31, 2011 balances in the YTD Fund Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 fund cash balances reported in the YTD Fund Reports. The amounts agreed.
4. We confirmed the December 31, 2012 bank account balances with the Library's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2012 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2012 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

### **Cash and Investments (Continued)**

6. We tested interbank account transfers occurring in December of 2011 to determine if they were properly recorded in the accounting records and on each bank statement.
7. We tested investments held at December 31, 2012 and December 31, 2011 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

### **State Library and Local Government Support Receipts**

We selected two State Library and Local Government Support (LLGS) receipts from the County Distribution Transaction Lists from 2012 and two from 2011.

- a. We compared the amount from the County Distribution Transaction Lists to the amount recorded in the Detail Revenue Transaction Report. The amounts agreed.
- b. We determined whether these receipts were posted to the General Fund. We found no exceptions.
- c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
- d. We scanned the Detail Revenue Transaction Report to determine whether it included one LLGS receipt per month for 2012 and 2011. We found no exceptions.

### **Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2012 and one from 2011
  - a. We traced the gross distribution from the *Statement* to the amount recorded in the Detail Revenue Transaction Report. We noted the property tax receipts were posted at the net distribution amount of \$170,912 and \$221,179, for 2012 and 2011, respectively. This resulted in an understatement of receipts and expenditures of \$3,730 and \$5,126, for 2012 and 2011, respectively. We recommend the Library record tax settlements at the total distribution and separately record the related deductions as expenditures.
  - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Detail Revenue Transaction Report to determine whether it included two real estate tax receipts for 2012 and 2011. We noted the Detail Revenue Transaction Report included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2012 and five from 2011. We also selected five receipts from the County Auditor's DTLs from 2012 and five from 2011.
  - a. We compared the amount from the above reports to the amount recorded in the Detail Revenue Transaction Report. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

**Debt**

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2010.
2. We inquired of management, and scanned the YTD Revenue Report and YTD Expense Report for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. We noted no new debt issuances, nor any debt payment activity during 2012 or 2011.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2012 and one payroll check for five employees from 2011 from the Detail Check Register (Payroll) Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Detail Check Register (Payroll) Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the minute record and the Detail Check Register (Payroll) Report. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2012 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2011. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b><u>Date Due</u></b>	<b><u>Date Paid</u></b>	<b><u>Amount Due</u></b>	<b><u>Amount Paid</u></b>
Federal income taxes & Medicare	January 31, 2013	December 31, 2012	\$16,982.82	\$16,982.82
State income taxes	January 31, 2013	December 31, 2012	1,057.60	1,057.60
Local income tax	January 31, 2013	December 31, 2012	861.74	861.74
OPERS retirement	January 30, 2013	December 31, 2012	8,512.47	8,512.47

3. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Detail Check Register (Payroll) Report:
  - a. Accumulated leave records
  - b. The employee's pay rate in effect as of the termination date
  - c. The Library's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

### Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Detail Expense Transaction Report for the year ended December 31, 2012 and ten from the year ended December 31, 2011 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Detail Expense Transaction Report and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
2. We scanned the Detail Expense Transaction Report for the years ended December 31, 2012 and 2011 and determined that the proceeds from the levy passed under Ohio Rev. Code Section 5705.23, were used for the purpose stated in the resolution.

### Compliance – Budgetary

1. We compared total appropriations required by Ohio Admin. Code Section 117-8-02, to the amounts recorded in the Board Reporting Reports (Appropriations Accounting) for 2012 and 2011 for the following funds: General Fund and Building Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Board Reporting Reports (Appropriations Accounting) report.
2. Ohio Admin. Code Section 117-8-02 prohibits spending in excess of budgeted amounts. We compared total expenditures to total appropriations for the years ended December 31, 2012 and 2011 for the General and Building Fund, as recorded in the Board Reporting Reports (Appropriations Accounting). We noted no funds for which expenditures exceeded appropriations.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Library's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the Library, and is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

March 11, 2013



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ASHTABULA PUBLIC LIBRARY

ASHLAND 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  
MARCH 28, 2013