



**LAW LIBRARY ASSOCIATION  
HANCOCK COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2000-1999**



**JIM PETRO  
AUDITOR OF STATE**

**STATE OF OHIO**



**LAW LIBRARY ASSOCIATION  
HANCOCK COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

Law Library Association  
Hancock County  
300 South Main Street  
Findlay, Ohio 45840-3345

To the Board of Trustees:

We have audited the accompanying financial statements of Hancock County Law Library Association (the Library) as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about 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 that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Library as of December 31, 2000 and 1999, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2001 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Law Library Association  
Hancock County  
Report of Independent Accountants  
Page 2

This report is intended solely for the information and use of the finance committee, management, the Board of Trustees, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

March 12, 2001

**LAW LIBRARY ASSOCIATION  
HANCOCK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - GOVERNMENTAL FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2000**

|   | <b>Governmental<br/>Fund Type</b> |
|---|-----------------------------------|
|   | <b>General</b>                    |
| <b>Cash Receipts:</b>                               |                                   |
| Intergovernmental Revenue                           | \$276,809                         |
| Earnings on Investments                             | 304                               |
| Miscellaneous Receipts                              | 3,478                             |
| Total Cash Receipts                                 | 280,591                           |
| <b>Cash Disbursements:</b>                          |                                   |
| Acquisitions, Renewals, Subscriptions, and Software | 218,064                           |
| Internet Charges                                    | 527                               |
| Salaries after Withholdings                         | 26,465                            |
| Employee Federal Tax Withheld                       | 4,991                             |
| Employee State Tax Withheld                         | 1,069                             |
| Employee City Tax Withheld                          | 365                               |
| Employee School Tax Withheld                        | 380                               |
| Employee PERS Withheld                              | 3,099                             |
| Employee Group Insurance Withheld                   | 600                               |
| Employer Payment to PERS                            | 3,945                             |
| Employer Payment for Group Insurance                | 6,714                             |
| Office Supplies and Maintenance Agreements          | 3,571                             |
| Hancock County Treasurer (Postage and Copy Paper)   | 427                               |
| Hancock County Treasurer (Phone Charges)            | 572                               |
| Ameritech and AT&T                                  | 1,075                             |
| Insurance and Bonds                                 | 1,184                             |
| Petty Cash  | 61                                |
| AALL, ORALL, and OSBA Meetings                      | 2,417                             |
| Computer Network                                    | 3,993                             |
| Total Cash Disbursements                            | 279,519                           |
| Total Cash Receipts Over Cash Disbursements         | 1,072                             |
| Fund Cash Balances, January 1                       | 1,353                             |
| <b>Fund Cash Balances, December 31</b>              | <b>\$2,425</b>                    |

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

**LAW LIBRARY ASSOCIATION  
HANCOCK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - GOVERNMENTAL FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 1999**

|   | <b>Governmental<br/>Fund Type</b> |
|---|-----------------------------------|
|   | <b>General</b>                    |
| <b>Cash Receipts:</b>                               |                                   |
| Intergovernmental Revenue                           | \$250,925                         |
| Earnings on Investments                             | 270                               |
| Miscellaneous Receipts                              | 2,345                             |
| Total Cash Receipts                                 | 253,540                           |
| <b>Cash Disbursements:</b>                          |                                   |
| Acquisitions, Renewals, Subscriptions, and Software | 182,045                           |
| Salaries after Withholdings                         | 26,160                            |
| Employee Federal Tax Withheld                       | 4,910                             |
| Employee State Tax Withheld                         | 1,026                             |
| Employee City Tax Withheld                          | 357                               |
| Employee School Tax Withheld                        | 124                               |
| Employee PERS Withheld                              | 3,074                             |
| Employee Group Insurance Withheld                   | 600                               |
| Employer Payment to PERS                            | 4,800                             |
| Employer Payment for Group Insurance                | 5,945                             |
| Office Supplies and Maintenance Agreements          | 2,967                             |
| Hancock County Treasurer (Postage and Copy Paper)   | 308                               |
| Hancock County Treasurer (Phone Charges)            | 713                               |
| Ameritech and AT&T                                  | 1,078                             |
| Insurance and Bonds                                 | 1,082                             |
| Audit   | 1,371                             |
| Petty Cash  | 47                                |
| AALL, ORALL, and OSBA Meetings                      | 4,303                             |
| Computer Network                                    | 11,612                            |
| Total Cash Disbursements                            | 252,522                           |
| Total Cash Receipts Over Cash Disbursements         | 1,018                             |
| Fund Cash Balances, January 1                       | 335                               |
| <b>Fund Cash Balances, December 31</b>              | <b>\$1,353</b>                    |

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



**LAW LIBRARY ASSOCIATION  
HANCOCK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Law Library Association, Hancock County, (the Library) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Library is directed by a six-member Board of Trustees appointed by the Hancock County Bar Association. An appointed librarian is responsible for carrying out the decisions of the Law Library Trustees by maintaining the Law Library, and providing access to legal publications for area legal counsel.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

The Library has no investments.

**D. Fund Accounting**

The Library uses fund accounting to segregate cash that is restricted as to use. The Library classifies its fund into the following type:

***General Fund***

The General Fund is the general operating fund. It is used to account for all financial resources.

**E. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**F. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Library.

**LAW LIBRARY ASSOCIATION  
HANCOCK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**2. EQUITY IN POOLED CASH**

The Library maintains a cash pool used by all funds. The Ohio Revised Code prescribes allowable deposits. The carrying amount of cash at December 31 follows:

|                         | <u>2000</u>           | <u>1999</u>           |
|-------------------------|-----------------------|-----------------------|
| Demand deposits         | \$2,350               | \$1,278               |
| Cash                    | <u>75</u>             | <u>75</u>             |
| Total Cash and Deposits | <u><u>\$2,425</u></u> | <u><u>\$1,353</u></u> |

Deposits are insured by the Federal Depository Insurance Corporation.

**3. RETIREMENT SYSTEM**

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

Contribution rates are also prescribed by the Ohio Revised Code. The Library's PERS members contributed 8.5% of their gross salaries. The Library contributed an amount equal to 13.55% of participants' gross salaries for 1999 and 10.84% for 2000. The Library has paid all contributions required through December 31, 2000.

**4. RISK MANAGEMENT**

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability; and
- Inland Marine.

The Library also provides health insurance and dental coverage to full time employees through the County's policy.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON  
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Law Library Association  
Hancock County  
300 South Main Street  
Findlay, Ohio 45840-3345

To the Board of Trustees:

We have audited the accompanying financial statements of the Hancock County Law Library Association (the Library) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 12, 2001. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Library's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2000-60232-001.

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered the Library's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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 in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Library in a separate letter dated March 12, 2001.

Law Library Association  
Hancock County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

**Jim Petro**  
Auditor of State

March 12, 2001

**LAW LIBRARY ASSOCIATION  
HANCOCK COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2000**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

**FINDING NUMBER 2000-60232-001**

**Finding Repaid Under Audit**

State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951) provides that expenditures made by a governmental unit should serve a public purpose. Throughout 1999 and 2000 Deb Ward, the Assistant Law Librarian, attended various conferences and seminars. In addition to the expenses incurred that were part of the cost of attending the seminars and conferences, Ms. Ward was reimbursed \$193.51 for personal expenses not associated with her attendance at these seminars and conferences.

Ohio Revised Code § 117.28 states that when an audit report sets forth that any public money has been illegally expended, the Association's legal counsel may institute civil action to recover the money illegally expended.

In accordance with the forgoing facts a finding for recovery is hereby returned against Deb Ward, Assistant Law Librarian, in the amount of \$193.51, in favor of the Law Library Association Treasury.

Ms. Ward repaid the Law Library \$193.51 on February 28, 2001.





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**LAW LIBRARY ASSOCIATION**

**HANCOCK 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  
APRIL 3, 2001**