



**LAW LIBRARY ASSOCIATION
HURON COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**LAW LIBRARY ASSOCIATION
HURON COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Law Library Association
Huron County
2 East Main Street
Norwalk, Ohio 44857-1593

To the Board of Trustees:

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

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 Association 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 accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Association 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 June 1, 2001 on our consideration of the Association'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 audits.

Law Library Association
Huron County
Report of Independent Accountants
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This report is intended solely for the information and use of 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

June 1, 2001

LAW LIBRARY ASSOCIATION
HURON COUNTY

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

	<u>General</u>
Cash Receipts:	
Intergovernmental	\$218,407
Miscellaneous Receipts	<u>601</u>
Total Cash Receipts	<u>219,008</u>
Cash Disbursements:	
Current:	
Salaries and Benefits	42,394
Other Objects	<u>176,413</u>
Total Cash Disbursements	<u>218,807</u>
Total Cash Receipts Over Cash Disbursements	201
Fund Balances, January 1	<u>18,117</u>
Fund Balances, December 31	<u><u>\$18,318</u></u>

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

LAW LIBRARY ASSOCIATION
HURON COUNTY

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

	<u>General</u>
Cash Receipts:	
Intergovernmental	\$183,249
Miscellaneous Receipts	<u>768</u>
Total Cash Receipts	<u>184,017</u>
Cash Disbursements:	
Current:	
Salaries and Benefits	42,364
Other Objects	<u>143,183</u>
Total Cash Disbursements	<u>185,547</u>
Total Cash Receipts Over Cash Disbursements	(1,530)
Fund Balances, January 1	<u>19,647</u>
Fund Balances, December 31	<u><u>\$18,117</u></u>

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

**LAW LIBRARY ASSOCIATION
HURON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Huron County Law Library Association (the Association) 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 Association is directed by a nine-member Board of Trustees appointed by the Huron County Bar Association and furnishes a law library to all of the members of the Ohio General Assembly, the county officers and the judges of several courts in the county. Admission to the library and the use of the books is free of charge.

The Association's management believes these financial statements present all activities for which the Association 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. Fund Accounting

The Association uses fund accounting to segregate cash and investments that are restricted as to use. The Association has one fund and classifies it as follows:

General Fund

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

D. 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.

E. 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 Association.

**LAW LIBRARY ASSOCIATION
HURON COUNTY**

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

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	<u>\$18,318</u>	<u>\$18,117</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 Association's PERS members contributed 8.5% of their gross salaries. The Association contributed an amount equal to 13.55% and 10.84% of participants' gross salaries for 1999 and 2000, respectively. The Association has paid all contributions required through December 31, 2000.

4. RISK MANAGEMENT

The Association has obtained commercial insurance for the following risks:

- Property;
- General liability;
- Liability umbrella;
- Crime; and
- EDP.



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

Law Library Association
Huron County
2 East Main Street
Norwalk, Ohio 44857-1593

To the Board of Trustees:

We have audited the accompanying financial statements of the Huron County Law Library Association (the Association) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 1, 2001. We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 Association'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 no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted a certain immaterial instance of noncompliance that we have reported to the management of the Association in a separate letter dated June 1, 2001.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered Association'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 the management of the Association in a separate letter dated June 1, 2001.

Law Library Association
Huron County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
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This report is intended 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.

Jim Petro
Auditor of State

June 1, 2001



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LAW LIBRARY ASSOCIATION

HURON 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
JULY 3, 2001**