

CARDINGTON-LINCOLN PUBLIC LIBRARY

MORROW COUNTY

JANUARY 1, 2008 TO DECEMBER 31, 2009

AGREED UPON PROCEDURE

HOLBROOK & MANTER, IPA



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Board of Trustees
Cardington-Lincoln Public Library
128 East Main Street
Cardington, Ohio 43315

We have performed the procedures enumerated below, to which the management of the Cardington-Lincoln Public Library (the Library) agreed, solely to assist the Board of Trustees (the Board) in evaluating receipts, disbursements and balances recorded in its cash-basis accounting records for the years ended December 31, 2009 and 2008, 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. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements 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 Library. 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.

Cash

1. We tested the mathematical accuracy of the December 31, 2009 and 2008 bank reconciliations.
 - No exceptions were noted during the testing of the bank reconciliations.
2. We agreed the January 1, 2008 beginning fund balances recorded in the Fund Status Report to the December 31, 2007 balances in the prior year audited financial statements.
 - We found no exceptions when agreeing the current year beginning balances to the prior year ending balances.
3. We agreed the totals per the bank reconciliations to the corresponding totals in the December 31, 2009 and 2008 cash balances reported in the Fund Status Reports.
 - The amounts agreed from the bank reconciliation to the Fund Status Report.

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4. We confirmed the December 31, 2009 and 2008 bank account balances with the Library's financial institutions and agreed the confirmed amounts to the corresponding amounts in the bank reconciliations noted in Cash Step 3.
 - The confirmed balances agreed to those amounts within the bank reconciliation, and no exceptions were noted.
5. We selected five outstanding checks haphazardly from the December 31, 2009 bank reconciliation and traced to the corresponding bank statements showing timely clearing and traced the check's attributes per the cancelled check to the check register to verify checks were dated on or prior to December 31, 2009, as well as proper recording of checks within the check register.
 - We found no exceptions when testing the outstanding checks.

State Library and Local Government Support Receipts

1. We selected two (from each stated year) State Library and Local Government Support (LLGS) receipts from the Morrow County Auditor Vendor Audit Trail Report from 2009 and 2008 and compared the amounts from the Morrow County Auditor Vendor Audit Trail Report to the amount recorded in the revenue ledger.
 - We found no exceptions during our testing of the County receipts.
2. We determined whether the receipts selected in State Library and Local Government Support Receivables Step 1 were recorded in the proper year.
 - No exceptions were noted and all of the transactions selected for testing were recorded in the proper period.
3. We examined the revenue ledger to determine whether it included one LLGS receipt per month for 2009 and 2008.
 - We found no exceptions during our testing of the receipts.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2009 and one payroll check for five employees from 2008 from the payroll register and determined the following information in the employees' personnel files and time records are consistent with the information used to compute gross and net pay related to the noted check:

- Name
 - Authorized salary or pay rate
 - Department(s) and fund(s) to which the check should be charged
 - Retirement system participation and payroll withholding
 - Federal, State and Local income tax withholding authorization and withholding
 - Any other deduction authorizations (deferred compensation, etc.)
 - No exceptions were noted during the payroll check testing.
2. We tested the checks noted in Payroll Cash Disbursements Step 1 as follows:
- We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary)
 - We determined where the fund and account code(s) to which the check was posted was reasonable based on the employees' duties as documented in the employees' personnel files and time records.
 - We noted that only one fund (General Fund) applied to 2009 and 2008; therefore, no determination considered necessary. We also found no other exceptions during our testing of payroll cash disbursements.
3. We examined the last remittance of tax and retirement withholdings for the year ended December 31, 2009 to determine whether remittances were paid timely and that the amounts paid agreed to the amounts withheld during the final withholding period during 2009.
- No exceptions were noted during the testing of the withholdings and all payments tested were made timely.

Non-Payroll Cash Disbursements

1. We haphazardly selected 20 disbursements from each of the general ledger detail reports for the years ended December 31, 2009 and 2008 and determine that they were for a public, proper purpose.
- During our testing of non-payroll disbursements, no exceptions were noted.
2. We agreed the following attributes for the disbursements tested in Non-Payroll Cash Disbursements Step 1 from the source document (i.e. cancelled check) to the general ledger detail reports and supporting invoices:
- Check number
 - Date
 - Payee Name
 - Amount

- No exceptions were noted during our testing of the non-payroll disbursements with regards to the attributes noted above.
3. We will determine that the payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used for disbursements tested in Non-Payroll Cash Disbursements Step 1. No restrictions were noted for 2009 and 2008.
- We noted that only one fund (General Fund) applied to 2009 and 2008.

Compliance-Budgetary

1. We compared total appropriations required by Ohio Admin. Code Section 117-8-02, to the amounts recorded in the Appropriation Status Report for 2009 and 2008 for the specified funds.
 - We noted that one fund (General Fund) applied to 2008 and 2009, in turn, no funds were specified. Total actual expenses were less than appropriations per the Library's Annual Appropriation Resolution for 2008 and 2009.
2. Ohio Admin. Code Section 117-8-02 prohibits spending in excess of budgeted amounts. We compared total expenditures to total budget for the years ended December 31, 2008 and 2009 to ensure that no excess spending occurred.
 - No excess spending was noted during testing; therefore, no exceptions were noted.

Compliance-Contracts and Expenditures

1. We inquired of management and examined the general ledger detail reports for the years ended December 31, 2009 and 2008 for procurements requiring competitive bidding to construct, demolish, alter, repair or reconstruct a library or make any improvements or repairs, the cost of which exceeded \$25,000, except in cases of urgent necessity or for the security and protection of library property (Ohio Revised Code Section 3375.41).
 - No costs exceeding \$25,000 noted for 2008 and 2009.

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 the Library and is not intended to be, and should not be used by anyone else.

Shullbrook & Mante

Certified Public Accountants

June 28, 2010



Mary Taylor, CPA
Auditor of State

CARDINGTON-LINCOLN PUBLIC LIBRARY

MORROW 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
AUGUST 5, 2010**