



Dave Yost • Auditor of State





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

Carnegie Public Library  
Fayette County  
127 South North Street  
Washington Court House, Ohio 43160

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Carnegie Public Library, Fayette 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, 2010 and 2009, 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, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning fund balances recorded in the Statement of Cash Position Report to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2010 and 2009 fund cash balances reported in the Bank Report and Statement of Cash Position Report. The amounts agreed.
4. We confirmed the December 31, 2010 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, 2010 bank reconciliation without exception.
5. We selected five outstanding checks, four from the general account and one from the payroll account, haphazardly from the December 31, 2010 bank reconciliation:
  - a. We traced each check to the debit appearing in the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and date written to the check register, to determine the checks were dated prior to December 31. We noted no exceptions.

6. We tested interbank account transfers occurring in December of 2010 and 2009 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.
7. We tested investments held at December 31, 2010 and December 31, 2009 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 Fayette County Vendor Ledger Display Report from 2010 and two from 2009.

- a. We compared the amount from the Fayette County Vendor Ledger Display Report to the amount recorded in the Revenue Audit Trail 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 Revenue Audit Trail Report to determine whether it included one LLGS receipt per month for 2010 and 2009. We found no exceptions.

#### **Other Confirmable Cash Receipts**

1. We confirmed the amounts paid from the Carl M. Franklin Family Trust to the Library during 2010 with the Trustee letter and check from the Carl M. Franklin Family Trust. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

#### **Debt**

1. We inquired of management, and scanned the Revenue Audit Trail Report and Expense Audit Trail Report for evidence of bonded or note debt issued during 2010 or 2009 or outstanding as of December 31, 2010 or 2009. We noted no new debt issuances, nor any debt payment activity during 2010 or 2009.

#### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2010 and one payroll check for five employees from 2009 from the Current Period Payroll Register and determined whether the following information in the employees' personnel files, minute record and salary schedules was consistent with the information used to compute gross and net pay related to this check:

- a. Name
- b. Authorized salary or pay rate
- c. Department(s) and fund(s) to which the check should be charged.
- d. Retirement system participation and payroll withholding.
- e. Federal, State & Local income tax withholding authorization and withholding.
- f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above.

2. We tested the checks we selected in step 1, as follows:

- a. 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 found no exceptions.
- b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
- c. We determined whether the fund and account code(s) to which the check was posted was reasonable based on the employees' duties as documented in the salary schedules folders and the minutes. We also determined whether the payment was posted to the proper year. We found no exceptions.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2010. We noted the following:

<b>Withholding</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Withheld</b>	<b>Amount Paid</b>
Federal income taxes	January 31, 2011	12/21/10	\$1,550.45	\$1,550.45
State income taxes	January 15, 2011	12/21/10	\$683.37	\$683.37
Local income tax	January 31, 2011	12/20/10	\$1,364.75	\$1,364.75
OPERS retirement (withholding plus employee share)	January 30, 2011	12/20/10 – employee 01/18/11 - employer	\$3,501.34 \$4,901.82	\$3,501.34 \$4,901.82

- 4. 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 Current Period Payroll Register.
  - 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 Payment Register Detail Report for the year ended December 31, 2010 and ten from the year ended 2009 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 Check Report by Check No. 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.

### **Compliance – Budgetary**

1. We compared total appropriations required by Ohio Admin. Code Section 117-8-02, to the amounts recorded in the Expense Audit Trail Report for 2010 and 2009 for the following funds: General and Capital Projects Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Expense Audit Trail 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, 2010 and 2009 for the General and Capital Projects fund, as recorded in the Expense Audit Trail report. We noted no funds for which expenditures exceeded appropriations.

### **Compliance – Contracts & Expenditures**

1. We inquired of management and scanned the Expense Audit Trail report for the years ended December 31, 2010 and 2009 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 Rev. Code Section 3375.41).

We identified no purchases subject to the aforementioned bidding requirements.

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.

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

February 4, 2011

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CARNEGIE PUBLIC LIBRARY

FAYETTE 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 3, 2011