



**RICHWOOD-NORTH UNION PUBLIC LIBRARY  
UNION COUNTY**

**AGREED-UPON PROCEDURES**

**FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**



**Dave Yost • Auditor of State**



RICHWOOD-NORTH UNION PUBLIC LIBRARY  
UNION COUNTY

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

Richwood-North Union Public Library  
Union County  
4 East Ottawa Street,  
Richwood, Ohio 43344

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Richwood-North Union Library (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, 2011 and 2010, 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, 2011 and December 31, 2010 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2010 beginning fund balances recorded in the Cash Journal to the December 31, 2009 balances in the prior year audited statements. The cash balance of the General fund and the Capital Projects fund in the prior year audited statements was \$284,891 and \$610, respectively, for a total amount of \$285,501. The January 1, 2010 Cash Journal balance of the General fund was \$285,501. The variance of \$610 was identified as the balance of the Capital Projects fund that was combined with the General fund by the Fiscal Officer after the Board approved to close the construction checking account in 2005 and transfer the remaining balance to the general checking account. However, the Board did not approve the transfer of the funds from the Capital Projects fund to the General fund. Therefore, the Capital Projects fund balance was reported separately from the General fund on the December 31, 2009 financial statements. On April 10, 2012, the Library's Board of Trustees subsequently approved the transfer of the funds from the Capital Projects fund to the General fund.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2011 and 2010 fund cash balances reported in the Cash Journal. The amounts agreed.
4. We confirmed the December 31, 2011 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, 2011 bank reconciliation without exception.

**Cash and Investments (continued)**

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2011 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.
  
6. We tested investments held at December 31, 2011 and December 31, 2010 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 Auditor Appropriation History Report from 2011 and two from 2010.

- a. We compared the amount from the County Appropriation History Report to the amount recorded in the Receipt Ledger. 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 Receipt Ledger to determine whether it included one LLGS receipt per month for 2011 and 2010. We found no exceptions.

**Debt**

1. From the prior audit documentation, we noted the following notes outstanding as of December 31, 2009. These amounts agreed to the Library's January 1, 2010 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2009:
Library Facilities Notes	\$577,573

2. We inquired of management, and scanned the Receipt Ledger and Appropriation Ledger for evidence of debt issued during 2011 or 2010 or debt payment activity during 2011 or 2010. We noted no new debt issuances during 2011 or 2010. All debt payment activity noted agreed to the summary we used in step 3.
  
3. We obtained a summary of note debt activity for 2011 and 2010 and agreed principal and interest payments from the related debt amortization schedules to General fund payments reported in the Appropriation Ledger. We also compared the date the debt service payments were due to the date the Library made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2011 and one payroll check for five employees from 2010 from the Payroll Ledger and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Ledger 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 codes to which the check was posted were reasonable based on the employees' duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
  
2. We scanned the third quarter remittance of tax and retirement withholdings for the year ended December 31, 2011 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 third withholding period of 2011. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare	October 31, 2011	August 12, 2011	\$746	\$746
		September 14, 2011	\$1,220	\$1,220
		October 14, 2011	\$758	\$758
State income taxes	October 31, 2011	August 7, 2011	\$150	\$150
		September 13, 2011	\$223	\$223
		October 12, 2011	\$159	\$159
Village income taxes	October 31, 2011	August 7, 2011	\$86	\$86
		September 13, 2011	\$131	\$131
		October 12, 2011	\$86	\$86
School income taxes	October 31, 2011	August 7, 2011	\$59	\$59
		September 13, 2011	\$89	\$89
		October 12, 2011	\$59	\$59
OPERS retirement	October 31, 2011	October 11, 2011	\$2,056	\$2,056

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 Payroll Ledger:
  - 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. From the Appropriation Ledger, we re-footed checks recorded as General Fund supplies for 2011. We found no exceptions.
  
2. We haphazardly selected ten disbursements from the Appropriation Ledger for the year ended December 31, 2011 and ten from the year ended 2010 and determined whether:

**Non-Payroll Cash Disbursements (Continued)**

- 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 Appropriation Ledger 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 Appropriation Ledger for 2011 and 2010 for the General fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Ledger.
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, 2011 and 2010 for the General fund, as recorded in the Appropriation Ledger. We noted no funds for which expenditures exceeded appropriations.

**Compliance – Contracts & Expenditures**

1. We inquired of management and scanned the Appropriation Ledger for the years ended December 31, 2011 and 2010 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 did not receive a response from Officials to the exception reported above.

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

April 12, 2012





# Dave Yost • Auditor of State

**RICHWOOD-NORTH UNION PUBLIC LIBRARY**

**UNION 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  
MAY 17, 2012**