



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Tuscarawas County Public Library
Tuscarawas County
121 Fair Avenue NW
New Philadelphia Ohio 44663

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Tuscarawas County Public Library (the Library) and the Auditor of State 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, 2012 and 2011, 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, 2012 and December 31, 2011 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2011 beginning fund balances recorded in the 2011 Financial Report to the December 31, 2010 balances in the prior year audited statement. We found no exceptions. We also agreed the January 1, 2012 beginning fund balances recorded in the 2012 Financial Report to the December 31, 2011 balances in the 2011 Financial Statement. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 fund cash balances reported in the 2012 and 2011 Financial Report generated by the Library. The amounts agreed.
4. We confirmed the December 31, 2012 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, 2012 bank reconciliation without exception.
5. We selected five reconciling debits haphazardly from the December 31, 2012 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 selected one reconciling credit haphazardly from the December 31, 2012 bank reconciliation:
 - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
 - b. We agreed the credit amounts to the Receipt Payin Transaction Listing. Each credit was recorded as a December receipt for the same amount recorded in the reconciliation.
7. We tested interbank account transfers occurring in December of 2012 and 2011 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.
8. We tested investments held at December 31, 2012 and December 31, 2011 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 Cross Reference Report from 2012 and two from 2011.

- a. We compared the amount from the County Auditor Cross Reference Reports to the amount recorded in the Receipt Transaction Listing 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 Receipt Transaction Listing Report to determine whether it included one LLGS receipt per month for 2012 and 2011. We found no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2012 and one from 2011
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Transaction Listing Report. The amounts agreed.
 - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Detail Revenue Transactions Report to determine whether it included two real estate tax receipts for 2012 and 2011. We noted the Detail Revenue Transactions Report included the proper number of tax receipts for each year.
3. We selected three receipts from the State Distribution Transaction Lists (DTL) from 2012 and five from 2011. We also selected five receipts from the County Auditor's Cross Reference Report from 2012 and five from 2011.
 - a. We compared the amount from the above reports to the amount recorded in the Detail Revenue Transactions Report. The amounts agreed.

- b. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
- c. We determined whether the receipts were recorded in the proper year. We found one exception where a receipt was posted in the subsequent year. From the State DTL, an Appalachian Development receipt totaling \$30,084 dated December 7, 2011 was not recorded on the Library's Detail Revenue Transaction Report until January 3, 2012.

Debt

- 1. From the prior audit documentation, we noted the following bond outstanding as of December 31, 2010. This amount agreed to the Libraries January 1, 2011 balance on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2010:
Library Improvement/Construction Bond	\$130,000

- 2. We inquired of management, and scanned the Detail Revenue Transaction Report and Special Check Register for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. All debt noted agreed to the summary we used in step 1. We noted no new debt issuances.
- 3. We obtained a summary of bonded debt activity for 2011 and agreed principal and interest payments from the related debt amortization schedule to general fund payments reported in the Special Check Register Report. We also compared the date the debt service payments were due to the date the Library made the payments. We found no exceptions. The debt was paid off in 2011

Payroll Cash Disbursements

- 1. We haphazardly selected one payroll check for five employees from 2012 and one payroll check for five employees from 2011 from the Payroll Detail Check Register and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Detail Check Register to supporting documentation (timecard, as documented in the legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the Library's Salary Schedule. We also determined whether the payment was posted to the proper year. We found no exceptions.
- 2. For any new employees selected in step 1 we determined whether the following information in the employee's personnel files 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 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 one exception related to steps a. – f. above. The selected employee's file did not contain a form specifically stating to what department and fund the check should be charged. However, all Library employees are paid from the General fund.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2012 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 final withholding period of 2012. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2013	10/02/12	\$3,320.23	\$3,320.23
		10/16/12	3,549.41	3,549.41
		10/30/12	3,794.39	3,794.39
		11/13/12	3,759.54	3,759.54
		11/27/12	3,756.30	3,756.30
		12/11/12	3,514.13	3,514.13
		12/25/12	3,410.70	3,410.70
			<u>\$25,104.70</u>	<u>\$25,104.70</u>
State income taxes	January 15, 2013	12/24/12	\$1,233.02	\$1,233.02
Local income taxes	January 30, 2013	12/24/12	\$3,494.27	\$3,494.27
OPERS retirement	January 30, 2013	1/8/13	\$11,411.65	\$11,411.65
		1/21/13	\$15,976.30	\$15,976.30

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 Payroll Detail Check 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 Vendor Report for the year ended December 31, 2012 and ten from the year ended 2011 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 Payment Register Vendor 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 Combined Appropriations column of the Monthly Financial Report for 2012 and 2011 for the following funds: General, Building & Repair, and Gifts, Grants, & Scholarships funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Combined Appropriations column of the Monthly Financial 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, 2012 and 2011 for the General, Building & Repair, and Gifts, Grants, & Scholarships funds, as recorded in the Combined Appropriations column of the Monthly Financial Report. We noted no funds for which expenditures exceeded appropriations.

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 the Auditor of State, 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 2, 2013

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TUSCARAWAS COUNTY PUBLIC LIBRARY

TUSCARAWAS 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 9, 2013**