



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mentor Public Library
Lake County
8215 Mentor Avenue
Mentor OH 44060

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Mentor Public Library, Lake County, Ohio, (the Library), on the receipts, disbursements and balances recorded in the Library's cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Library. The Library is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Library. 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 recalculated the December 31, 2016 and December 31, 2015 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2015 beginning fund balances recorded in the YTD Fund Summary Report to the December 31, 2014 balances in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2016 beginning fund balances recorded in the YTD Fund Summary Report to the December 31, 2015 balances in the YTD Fund Summary Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2016 and 2015 fund cash balances reported in the YTD Fund Summary Report. The amounts agreed.
4. We observed the year-end bank account balances with the Library's financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2016 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2016 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 Accounts Payable Check Register, to determine the debits were dated prior to December 31. We noted no exceptions.

Cash and Investments – (Continued)

6. We traced interbank account transfers occurring in December of 2016 and 2015 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.
7. We inspected investments held at December 31, 2016 and December 31, 2015 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.

Public Library Fund Receipts

We haphazardly selected two Public Library Fund (PLF) receipts from the Lake County Library Local Government Fund Support Distribution Summary from 2016 and two from 2015.

- a. We compared the amount from the Lake County Library Local Government Fund Support Distribution Summary to the amount recorded in the Revenue Ledger Report. The amounts agreed.
- b. We inspected the Revenue Ledger Report and observed these receipts were posted to the General Fund. We found no exceptions.
- c. We inspected the Revenue Ledger Report and observed the receipts were recorded in the proper year. We found no exceptions.
- d. We inspected the Revenue Ledger Report to determine whether it included one PLF receipt per month for 2016 and 2015. We found no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We haphazardly selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2016 and one from 2015
 - a. We traced the gross receipts from the Statement to the amount recorded in the Revenue Ledger Report. We also traced the advances noted on the Statement to the Revenue Ledger Report. The amounts agreed.
 - b. We inspected the Revenue Ledger Report to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the Revenue Ledger Report to determine whether it included two real estate tax receipts plus two advances for 2016 and 2015. The Revenue Ledger Report included the proper number of tax receipts for each year.
3. We haphazardly selected five receipts from the State Distribution Transaction Lists (DTL) from 2016 and five from 2015.
 - a. We compared the amount from the above report to the amount recorded in the Revenue Ledger Report. The amounts agreed.
 - b. We inspected the Revenue Ledger Report to determine whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - c. We inspected the Revenue Ledger Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedure documentation disclosed no debt outstanding as of December 31, 2014.
2. We inquired of management, and inspected the Revenue Ledger Report and Expense Ledger Report for evidence of debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. We noted no new debt issuances or any debt payment activity during 2016 or 2015.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2016 and one payroll check for five employees from 2015 from the Payroll by Department Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll by Department Report 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 inspected the fund and account code to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employee's personnel files. We also confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2016 to confirm 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 2016. We observed the following:

Withholding (plus employer share, where applicable)	<u>Date Due</u>	<u>Date Paid</u>	<u>Amount Due</u>	<u>Amount Paid</u>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	December 28, 2016	December 23, 2016	\$8,446.36	\$8,446.36
State income taxes	December 28, 2016	December 23, 2016	1,521.33	1,521.33
Local income tax	December 28, 2016	December 23, 2016	1,421.49	1,421.49
OPERS retirement	January 17, 2017	December 22, 2016	18,044.21	18,044.21

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 by Department Report:
 - 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 Accounts Payable Check Register for the year ended December 31, 2016 and ten from the year ended December 31, 2015 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 Accounts Payable Check Register 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 Control by Summary Report for 2016 and 2015 for the following funds: General Fund and Technology Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Expense Control by Summary 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, 2016 and 2015 for the General Fund and Technology Fund, as recorded in the Year to Date (YTD) Fund Summary Report. We observed that no funds for which expenditures exceeded appropriations.

Other Compliance

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We Confirmed the Library filed their complete financial statements as defined by AOS Bulletin 2016-007 within the allotted timeframe for the years ended December 31, 2016 and 2015. There were no exceptions.

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*. We were not engaged to, and did not conduct an examination, or review, the objective of which would be the expression of an opinion or conclusion, respectively on the Library's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is for the use of the Library to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2016 and 2015, and, certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

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

Dave Yost
Auditor of State
Columbus, Ohio

May 25, 2017

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MENTOR PUBLIC LIBRARY

LAKE 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
JUNE 27, 2017**