



**ASHTABULA LAW LIBRARY ASSOCIATION
ASHTABULA COUNTY
REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West
Suite 302
Youngstown, Ohio 44503
Telephone 330-797-9900
800-443-9271
Facsimile 330-797-9949
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Trustees
Ashtabula Law Library Association
Ashtabula County
25 West Jefferson St.
Jefferson, Ohio 44047

We have audited the accompanying financial statements of the Ashtabula Law Library Association, Ashtabula County, Ohio, (the Library) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Ashtabula Law Library Association, Ashtabula County, as of December 31, 1999 and 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2000 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts.

This report is intended solely for the information and use of the officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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Jim Petro
Auditor of State

April 18, 2000

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPE
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998**

	<u>Law Library Association Fund</u>	
	<u>1999</u>	<u>1998</u>
Cash Receipts:		
Intergovernmental	\$306,998	\$256,706
Miscellaneous	8,961	1,932
	<u>315,959</u>	<u>258,638</u>
Cash Disbursements:		
Law Books	285,078	183,459
Salaries and Salary Related Expenses	7,701	8,798
Miscellaneous	21,196	18,066
Principal Retirement		46,692
Interest		1,217
	<u>313,975</u>	<u>258,232</u>
Total Receipts Over/(Under) Disbursements	1,984	406
Fund Cash Balances, January 1	<u>800</u>	<u>394</u>
Fund Cash Balances, December 31	<u><u>\$2,784</u></u>	<u><u>\$800</u></u>

The notes to the financial statements are an integral part of this statement.

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**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Ashtabula County Law Library Association almost in whole, is funded through the fine monies received by the courts under Ohio Rev. Code Sections 3375.50 through 3375.53 inclusive.

The Ashtabula County Law Library is directed by a board of three trustees who are members of the Ashtabula County Bar Association. The Board of Trustees elects a person to act as secretary/treasurer and appoints a person to act as librarian and not more than two additional persons to act as the assistant law librarians.

The Ashtabula County Commissioners are required to provide adequate facilities for a county law library by Revised Code Section 3375.49. The Board of County Commissioners provides to the County Law Library Association suitable bookcases, and heating and lighting for the rooms. Pursuant to Revised Code Section 3375.48, the compensation of the law librarian is also paid from the County Treasury.

Judges of the county court in the county and officers of the townships and municipal corporations therein have the same free use of the books of the law library as the judges and county officers.

The Ashtabula County Law Library is not part of the Ashtabula County reporting entity and is excluded from Ashtabula County's financial statements. The Library is not fiscally dependent on the County. The County is not financially accountable for the Law Library beyond the duties stated above.

Management believes the financial statements included in this report represent all of the funds of the Ashtabula County Law Library Association over which the Library has the ability to exercise direct operating control.

B. Basis of Accounting

The Library prepares its financial statements on a basis of cash receipts and disbursements. Consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when the obligation is incurred.

C. Investments and Inactive Funds

The Ashtabula County Law Librarian is the Secretary/Treasurer for the Ashtabula County Law Library Association. The investment procedures are restricted by the provisions of the Ohio Revised Code. The Library's deposits are held in the depository form by Andover Bank, located in Jefferson.

D. Fund Accounting

The Library maintains its accounting records in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The Library classifies its fund into the following type:

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund

Law Library Association Fund

The Law Library Association Fund is the general operating fund of the Library. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

E. Property, Plant And Equipment

Fixed assets acquired or constructed for general governmental service are recorded as expenditures. Depreciation is not recorded for these fixed assets.

F. Accumulated Unpaid Vacation And Sick Pay

Accumulated unpaid vacation and sick pay are not accrued under the cash basis of accounting described in Note 1. All leave will either be absorbed by time off from work, or within certain limitations, be paid to the employees. It is not practicable to determine the actuarial value of these benefits as of December 31, 1999 or December 31, 1998.

2. CASH

The Library's cash deposits are held by Andover Bank, Jefferson, Ohio, in the form of a checking account. The carrying amount of cash at December 31 was as follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	\$2,784	\$800

Deposits are insured by the Federal Depository Insurance Corporation.

3. INSURANCE

The Law Library maintains comprehensive insurance coverage with Cincinnati Insurance Company for personal property, building contents, and liability coverage. Building contents coverage includes computer equipment, Law Library accounting records, and the Library's inventory of books.

4. RETIREMENT SYSTEMS

The Law Library employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, PERS members contributed 8.5% of their gross salaries. Ashtabula County and the Law Library contributed an amount equal to 13.55% of participants' gross salaries. The County and Law Library have paid all contributions required through December 31, 1999.



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242 Federal Plaza West
Suite 302
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Facsimile 330-797-9949
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**REPORT ON INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Board of Trustees
Ashtabula Law Library Association
Ashtabula County
25 West Jefferson Street
Jefferson, Ohio 44047

We have audited the financial statements of the Ashtabula County Law Library Association as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated April 18, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Ashtabula County Law Library Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Ashtabula County Law Library Association's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro
Auditor of State

April 18, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

LAW LIBRARY ASSOCIATION

ASHTABULA 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 18, 2000**