



**CINCINNATI LAW LIBRARY ASSOCIATION  
HAMILTON COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2000-1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**CINCINNATI LAW LIBRARY ASSOCIATION  
HAMILTON COUNTY**

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## INDEPENDENT ACCOUNTANTS' REPORT

Cincinnati Law Library Association  
Hamilton County  
1000 Main Street  
Room 601  
Cincinnati, Ohio 45202

To the Board of Trustees:

We have audited the accompanying financial statements of the Cincinnati Law Library Association, Hamilton County, Ohio (the Library), as of and for the years ended December 31, 2000 and 1999. 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 audits.

We conducted our audits 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 audits 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 audits provide 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. As described in Note 1, the financial statements present only the publicly held funds and are not intended to present fairly all funds controlled by the Library on the basis of accounting described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the statutory general fund cash balance of the publicly held funds of the Library as of December 31, 2000 and 1999, 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 February 23, 2001, on our consideration of the Library's internal control structure over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Standards and should be read in conjunction with this report in considering the results of our audit.

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

**Jim Petro**  
Auditor of State

February 23, 2001

**CINCINNATI LAW LIBRARY ASSOCIATION  
HAMILTON COUNTY**

**STATUTORY GENERAL FUND ACTIVITY AND BALANCES  
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

	2000	1999
<b>Cash Receipts:</b>		
Receipts from Hamilton County Treasurer:		
Municipal Court	\$998,434	\$873,914
Receipts from Hamilton County Courts:		
Common Pleas - Probate Court	2,450	2,296
Municipal Court	16,200	16,200
Juvenile Court	7,760	10,058
Copy Machine Receipts	7,201	9,554
Westlaw Search Income	1,656	324
Interest	3,441	2,670
Miscellaneous Receipts	14,501	19,747
Total Cash Receipts	1,051,643	934,763
<b>Cash Disbursements:</b>		
Book Purchases/Services	77,910	25,107
Equipment and Asset Additions	6,035	14,604
Subscriptions & Periodicals	152,102	228,124
Continuations	273,489	291,693
Loose Leaf Service	158,930	45,557
Microfiche, Tapes & Cassettes	25,449	23,564
Cataloging & Computer Services	5,013	5,441
Salaries and Benefits	196,426	175,600
Miscellaneous	57,925	165,994
Total Cash Disbursements	953,279	975,684
Total Cash Receipts Over/(Under) Cash Disbursements	98,364	(40,921)
Fund Cash Balances, January 1	5,789	46,710
<b>Fund Cash Balances, December 31</b>	<b>\$104,153</b>	<b>\$5,789</b>

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

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**CINCINNATI LAW LIBRARY ASSOCIATION  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Cincinnati Law Library Association, Hamilton County, Ohio (the Library), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Library is directed by a twelve-member Board of Trustees. Nine members are elected by the majority of the voting members of the Law Library, one appointed by the presiding Judge of the Court of Common Pleas and two appointed by the Bar Association. The Law Librarian serves at the pleasure of the Board of Trustees. The Librarian's and Assistant Librarian's compensation are fixed by the Judges of Common Pleas Court and are paid out of the Hamilton County General Fund. The Board of Trustees serve without compensation.

The Library provides law books and other legal publications for use by the Members of Ohio General Assembly, Judges and elected officials of Hamilton County.

The Library's management believes these financial statements present all activities of the statutory general fund cash balance (public funds) for which the Library is financially accountable.

The Library is exempt from Federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code.

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

The U.S. Treasury Money Market Account is valued at cost.

**D. Fund Accounting**

This report is limited to the statutory general fund. The statutory general fund is used to account for public funds.

The Library uses fund accounting to segregate cash and investments that are restricted as to use. The Library has the following type:

**CINCINNATI LAW LIBRARY ASSOCIATION  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**General Fund**

The General Fund is the general operating fund. It is used to account for all statute financial resources of the Library. The majority of the statute resources are receipts from Hamilton County Municipal Court Fines.

**E. Budgetary Process**

The Library is not required to prepare budgetary reports.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**G. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Library.

**2. CASH AND INVESTMENTS**

The Library maintains a cash and investments pool for the General Fund. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$968	\$2,511
Fountain Square U.S. Treasury Mutual Fund	<u>103,185</u>	<u>3,278</u>
Total deposits and investments	<u>\$104,153</u>	<u>\$5,789</u>

**Deposits:** Deposits are either (1) insured by the Federal Depository Insurance Corporation, (2) collateralized by the financial institution's public entity deposit pool.

**Investments:** Investments in mutual funds are not evidenced by securities that exist in physical or book-entry form.

**3. RETIREMENT SYSTEM**

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

**CINCINNATI LAW LIBRARY ASSOCIATION  
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**3. RETIREMENT SYSTEM (Continued)**

Contribution rates are also prescribed by the Ohio Revised Code. The Library's PERS members contributed 8.5% of their gross salaries. The Library contributed an amount equal to 10.84% for the year 2000 and 13.55% for the year 1999 of the participants' gross salaries. The Library has paid all contributions required through December 31, 2000.

**4. RISK MANAGEMENT**

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Inland Marine
- Errors and omissions

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

Cincinnati Law Library Association  
Hamilton County  
1000 Main Street  
Room 601  
Cincinnati, Ohio 45202

To the Board of Trustees:

We have audited the accompanying financial statements of the Cincinnati Law Library Association, Hamilton County, Ohio (the Library), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated February 23, 2001. We conducted our audits 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 Library's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 audits 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 audits, we considered the Library'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. However, we noted a matter involving the internal control over financial reporting that did not require inclusion in this report, that we have reported to management of the Library in a separate letter dated February 23, 2001.

Cincinnati Law Library Association  
Hamilton County  
Report on Compliance and on Internal Control Required by  
*Government Auditing Standards*  
Page 2

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

**Jim Petro**  
Auditor of State

February 23, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**CINCINNATI LAW LIBRARY ASSOCIATION**

**HAMILTON 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  
APRIL 10, 2001**