



**STARK COUNTY LAW LIBRARY
STARK COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2007-2006



Mary Taylor, CPA
Auditor of State

STARK COUNTY LAW LIBRARY
STARK COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter	1
Independent Accountants' Report.....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance – All Public Funds For the Year Ended December 31, 2007	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance – All Public Funds For the Year Ended December 31, 2006	6
Notes to the Financial Statements	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	9

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Mary Taylor, CPA
Auditor of State

Stark County Law Library
Stark County
110 Central Plaza S., Suite 401
Canton, Ohio 44702

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

Mary Taylor

Mary Taylor, CPA
Auditor of State

September 22, 2008

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Stark County Law Library
Stark County
110 Central Plaza S., Suite 401
Canton, Ohio 44702

To the Board of Trustees:

We have audited the accompanying financial statements of the Stark County Law Library, Stark County, Ohio, (the Law Library) as of and for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the Law 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

The financial statements present only the Public Funds and do not intend to present fairly the financial position or results of operation of all Library funds.

As described more fully in Note 1, the Library has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Law Library's larger (i.e. major) funds separately. While the Law Library does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require the Law Library to reformat their statements. The Law Library has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2007 and 2006 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Law Library as of December 31, 2007 and 2006, or its changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balance of the Stark County Law Library, Stark County, as of December 31, 2007 and 2006, and its cash receipts and disbursements for the year then ended on the accounting basis Note 1 describes.

The Law Library has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2008, on our consideration of the Law Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Mary Taylor, CPA
Auditor of State

September 22, 2008

**STARK COUNTY LAW LIBRARY ASSOCIATION
STARK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL PUBLIC FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	General Fund
Cash Receipts:	
Fine and Forfeitures	\$456,460
Interest	251
Miscellaneous Receipts	159
Total Cash Receipts	456,870
Cash Disbursements:	
Salaries and Benefits	52,492
Supplies and Materials	358,042
Purchased Services	38,018
Equipment	9,361
Travel Reimbursements	686
Miscellaneous	1,488
Total Cash Disbursements	460,087
Total Cash Receipts (Under) Cash Disbursements	(3,217)
Other Financing Receipts/(Disbursements):	
Refunds from Vendors	841
Reimbursements	2,376
Total Other Financing Receipts/(Disbursements)	3,217
Excess (Deficiency) of Cash Receipts and Other Financing Receipts (Under) Cash Disbursements and Other Financing Disbursements	0
Public Fund Cash Balances, January 1	0
Public Fund Cash Balances, December 31	\$0

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

**STARK COUNTY LAW LIBRARY ASSOCIATION
STARK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL PUBLIC FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

	General Fund
Cash Receipts:	
Fine and Forfeitures	\$527,471
Interest	127
Miscellaneous Receipts	165
Total Cash Receipts	527,763
Cash Disbursements:	
Salaries & Benefits	28,762
Supplies and Materials	425,890
Purchased Services	47,062
Refunds to Relative Income Sources - See Note 3	
Equipment	25,013
Travel Reimbursements	596
Miscellaneous	3,027
Total Cash Disbursements	530,350
Total Cash Receipts (Under) Cash Disbursements	(2,587)
Other Financing Receipts/(Disbursements):	
Reimbursements	2,216
Excess (Deficiency) of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	(371)
Public Fund Cash Balances, January 1	371
Public Fund Cash Balances, December 31	\$0

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

**STARK COUNTY LAW LIBRARY
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Stark County Law Library (the Library) is governed by a board of seven trustees. Members of the Stark County Bar Association annually elect the board members. The Library provides access to all county officers and the judges of the several courts within the county.

The Library operates by receiving a portion of fine and forfeiture monies from the courts (and any associated interest) under Ohio Revised Code (ORC) §§ 3375.50 to .53, inclusive. ORC § 3375.54 authorizes the Library to disburse funds to purchase, lease or rent law books; computer communications consoles to access a system of computerized legal research; microfilm materials and equipment, videotape materials and equipment; audio or visual materials and equipment; and other services, materials, and equipment that provide legal information or facilitate legal research.

ORC §3375.49 requires the Stark County Commissioners to provide adequate facilities for the Library, including suitable bookcases, heating and lighting for the rooms.

The Library's Board of Trustees may appoint a person to act as librarian and additional persons to act as assistant librarians of the Library. The Board shall be responsible for fixing and paying the compensation of those persons, subject to ORC §3375.49.

The Library's management believes these financial statements present all public funds for which the Library is financially accountable.

The Library deems some funds it receives as private monies. Private monies include: membership dues, overdue book charges, and photocopying charges. Fees the Library collects for the use of books and copiers remain private even though the books and copiers may have been purchased with public funds. The Library need not comply with ORC § 3375.54 when disbursing private money. The accompanying financial statements do not present private monies.

B. Basis of Accounting

These financial statements follow the basis of accounting the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements. The Law Library recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Cash and Investments

All cash is maintained in a business checking account.

**STARK COUNTY LAW LIBRARY
STARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting

The Library uses a general fund to account for all financial resources.

E. Property, Plant, and Equipment

The Law Library records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets. The Library deems computers, copiers, fax machines and other items related toward facilitating the use of equipment as equipment

2. EQUITY IN POOLED CASH AND INVESTMENTS

At December 31, 2007 and 2006, respectively, the Law Library did not have any equity in pooled cash.

3. RETIREMENT SYSTEMS

During 2007, the Law Library began complying with Ohio Revised Code Section 3375.49 which requires the payment of compensation of the Law Librarian and up to two assistants to transfer from the County Board of Commissioners to the Board of Trustees of the Law Library. This law requires the Board of Trustees to assume responsibility over the course of time and up to 100% of these salaries by the year 2011. The Law Library has met its obligation in 2007 by assuming 20% as required by this Ohio Revised Code Section.

The Law Library's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2007, OPERS members contributed 9.5 percent, respectively, of their gross salaries and the Law Library contributed an amount equaling 13.85 of participants' gross salaries. The Law Library has paid all contributions required through December 31, 2007.

4. RISK MANAGEMENT

The Law Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability, and
- Errors and omissions.

Claims have not exceeded coverage and there has been no reduction in coverage from the previous year.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Stark County Law Library
Stark County
110 Central Plaza S., Suite 401
Canton, Ohio 44702

To the Board of Trustees:

We have audited the financial statements of the Stark County Law Library, Stark County, Ohio, (the Law Library) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated September 22, 2008, wherein we noted the Law Library followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Law Library's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Law Library's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Law Library's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Law Library's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Law Library's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Law Library's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Law Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of the audit committee, management, and Board of Trustees. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

September 22, 2008



Mary Taylor, CPA
Auditor of State

STARK COUNTY LAW LIBRARY ASSOCIATION

STARK 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
OCTOBER 14, 2008**