



**SELOVER PUBLIC LIBRARY  
MORROW COUNTY**

**AGREED-UPON PROCEDURES**

**FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**



**Dave Yost • Auditor of State**



**SELOVER PUBLIC LIBRARY  
MORROW COUNTY**

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Selover Public Library  
Morrow County  
P.O. Box 25  
Chesterville, OH 43317

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Selover Public Library, Morrow County, Ohio, (the Library) 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, 2010 and 2009, 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. The Library processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). Government Auditing Standards considers this service to impair the independence of the Auditor of State to provide attest services to the Library because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, Government Auditing Standards permits the Auditor of State to perform this engagement, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code § 117.11(A) mandates the Auditor of State to perform attest services for Ohio governments.

This report only describes exceptions exceeding \$10.

### Cash

1. We tested the mathematical accuracy of the December 31, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning fund balances recorded in the Fund Status Report to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2010 and 2009 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2010 bank account balances with the Library's financial institutions. We found no exceptions. We also compared the confirmed balances to the amounts appearing in the December 31, 2010 bank reconciliation. We noted the Library did not post the September 2009 interest earned on their savings account resulting in a variance of \$776.59.

The Library should ensure all interest is posted to the accounting system in a timely manner. The Library has agreed to and properly posted these receipts to the accounting records. No other exceptions noted.

### **Cash (Continued)**

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2010 bank reconciliation:
  - a. We traced each debit to the debit appearing in the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and date written to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

### **State Library and Local Government Support Receipts**

We selected two State Library and Local Government Support (LLGS) receipts from the Morrow County Vendor History Reports from 2010 and two from 2009.

- a. We compared the amount from the Vendor History Report to the amount recorded in the Receipt Register 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 Register Report to determine whether it included one LLGS receipt per month for 2010 and 2009. We found no exceptions.

### **Other Confirmable Cash Receipts**

1. We confirmed the amounts paid from the Zella Eckels Marggraf Trust Agreement to the Library during 2010. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior audit report disclosed no debt outstanding as of December 31, 2008.
2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2010 or 2009. We noted no new debt issuances, nor any debt payment activity during 2010 or 2009.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2010 and one payroll check for five employees from 2009 from the Payroll Register Detail Report and:
  - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We determined whether the fund and account codes to which the check was posted was reasonable based on the employees' duties as documented in the employees' personnel files or minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.

**Payroll Cash Disbursements (Continued)**

2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2010. We noted the following:

<b>Withholding</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Withheld</b>	<b>Amount Paid</b>
Federal income taxes & Medicare	January 31, 2011	December 28, 2010	\$856.76	\$856.76
State income taxes	January 15, 2011	December 28, 2010	\$211.73	\$211.73
OPERS retirement (withholding plus employee share)	January 30, 2011	December 28, 2010	\$2,453.48	\$2,453.48

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2010 and ten from the year ended 2009 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 Detail 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 Appropriation Status Reports for 2010 and 2009 for the following funds: General and Capital Projects. The amounts on the appropriation resolutions did not agree to the amounts recorded in the Appropriation Status Report in 2009 for both the General and the Capital Projects Funds resulting in variances between the appropriations and the Appropriation Status Report in the amounts of \$7,500 and \$75,000 respectively. The Fiscal Officer should periodically compare the amounts recorded in the Appropriation Status Report to the amounts recorded on the Annual Appropriation Resolution to assure they agree. If the amounts do not agree, the Board of Trustees may be using inaccurate information for budgeting and monitoring purposes. However, because we did not test all funds, our report provides no assurance regarding whether or not other similar errors occurred.
2. Ohio Admin. Code Section 117-8-02 prohibits spending in excess of budgeted amounts. We compared total expenditures as recorded in the Appropriation Status Report to total Board approved appropriations for the years ended December 31, 2010 and 2009 for the General and Capital Projects Funds. We noted no funds for which expenditures exceeded appropriations.

### **Compliance – Contracts & Expenditures**

1. We inquired of management and scanned the Payment Register Detail report for the years ended December 31, 2010 and 2009 for procurements requiring competitive bidding to construct, demolish, alter, repair, or reconstruct a library or make any improvements or repairs, the cost of which exceeded \$25,000, except in cases of urgent necessity or for the security and protection of library property (Ohio Rev. Code Section 3375.41). We identified no purchases subject to the aforementioned bidding requirements.

### **Officials' Response**

We did not receive responses from Officials to the exceptions reported above.

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 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

June 24, 2011





# Dave Yost • Auditor of State

**SELOVER PUBLIC LIBRARY**

**MORROW 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  
JULY 14, 2011**