



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Swanton Public Library
Fulton County
305 Chestnut Street
Swanton, Ohio 43558-1305

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Swanton Public Library, Fulton 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 and Investments

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 Cash Summary by Fund 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 agreed the confirmed balances to the amounts appearing in the December 31, 2010 bank reconciliation without exception.

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 subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates written to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.
6. We selected three reconciling credits (such as deposits in transit) haphazardly from the December 31, 2010 bank reconciliation:
 - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
7. We tested investments held at December 31, 2010 and December 31, 2009 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 the maturities of three certificates of deposit exceeded the prescribed time limits, one maturing after thirteen months and two maturing after sixteen months.

State Library and Local Government Support Receipts

1. We selected two State Library and Local Government Support (LLGS) receipts from the Fulton County Vendor Audit Trail Report from 2010 and two from 2009. We also selected two State Library and Local Government Support (LLGS) receipts from the Lucas County Accounts Payable Expense Listing.
 - a. We compared the amount from the Fulton County Vendor Audit Trail Report and the Lucas County Accounts Payable Expense Listing 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, each from Lucas and Fulton Counties. We found no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2010 and one from 2009, from Fulton County and a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2010 and one from 2009 from Lucas County.

- a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Register Report. We also traced the advances noted on the Statement to the Receipt Register Report. We noted receipts from the Statement were recorded at net of deductions in the Receipt Register Report. However, because we did not test all property tax receipts, our report provides no assurance regarding whether or not similar errors occurred. We recommend the Library record property tax receipts at gross.
 - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Receipt Register Report to determine whether it included the proper number of tax receipts for 2010 and 2009:
- a. Two personal property tax receipts, each from Fulton and Lucas Counties; and
 - b. Two real estate tax receipts, each from Fulton and Lucas Counties, plus two advances from Lucas County.

We noted the Receipts Register Report included the proper number of tax settlement receipts for each year.

3. We selected five receipts from the Fulton County Vendor Audit Trail Report (DTL) from 2010 and five from 2009. We also selected five receipts from the Lucas County Accounts Payable Expense Listing (DTL) from 2010 and five from 2009.
- a. We compared the amount from the DTL to the amount recorded in the Receipt Register Report. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - c. 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 or debt payment activity 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 2011 and one payroll check for five employees from 2010 from the Employee Detail Adjustment Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Employee Detail Adjustment Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.

- b. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the employees' contracts. We also determined whether the payment was posted to the proper year. We found no exceptions.
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 if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2010. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare	January 31, 2011	December 31, 2010	\$2,182.15	\$2,182.15
State income taxes	January 18, 2011	December 31, 2010	454.30	454.30
Local income tax Swanton school district income tax	January 18, 2011	December 31, 2010	238.91	238.91
Local income tax Swanton Village income tax	January 31, 2011	December 31, 2010	686.43	686.43
OPERS retirement	January 30, 2011	December 31, 2010	3,824.22	3,824.22

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 December 31, 2009 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The names and amounts recorded in the Payment Register Detail Report agreed to supporting invoices. We noted the Library does not receive cancelled checks in either paper or electronic form. We recommend the Library contact its financial institution and request the front and back of all checks, either in paper or electronic form.
 - 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.
2. We scanned the Payment Register Detail Report for the year ended December 31, 2010 and 2009 and determined that the proceeds from the levy passed under Ohio Rev. Code Section 5705.23, were used for the purposes stated in the resolution.

Compliance – Budgetary

1. We compared total appropriations required by Ohio Admin. Code Section 117-8-02, to the amounts recorded in the Appropriation Status Report for 2010 and 2009 for the General fund and Eckley Trust fund. The amounts on the appropriations resolution were greater than the amounts recorded in the Appropriation Status Report for the General fund in 2010 and the Eckley Trust fund in 2009. The amounts differed by \$1,829 and \$12, respectively.
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, 2010 and 2009 for the General fund and Eckley Trust fund as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.

Compliance – Contracts and 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 a response 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

September 23, 2011

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SWANTON PUBLIC LIBRARY

FULTON 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 25, 2011