



Dave Yost • Auditor of State





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

Adams County Public Library  
Adams County  
157 High Street  
Peebles, Ohio 45660

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Adams County Public Library, Adams 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, 2012 and 2011, 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.

This report only describes exceptions exceeding \$10.

### Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2012 and December 31, 2011 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2011 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2010 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2011 beginning fund balances recorded in the Cash Summary by Fund Report to the December 31, 2010 balances in the Cash Summary by Fund Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2012 and 2011 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2012 STAR Ohio and Certificates of Deposit account balances with the Library's financial institution. We found no exceptions. We observed the year-end checking account bank balance on the financial institution's website. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2012 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2012 bank reconciliation:
  - a. We traced each debit to the subsequent January financial institutions website. We found no exceptions.

- b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.
6. We tested investments held at December 31, 2012 and December 31, 2011 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 no exceptions.

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

We selected two State Library and Local Government Support (LLGS) receipts from the County Vendor Audit Trail Report from 2012 and two from 2011.

- a. We compared the amount from the County Vendor Audit Trail Report to the amount recorded in the Revenue Ledger. 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 Revenue Ledger to determine whether it included one LLGS receipt per month for 2012 and 2011. We found no exceptions.

### **Intergovernmental Cash Receipts**

We selected all receipts from the State Distribution Transaction Lists (DTL) from 2012 and all from 2011.

- a. We compared the amount from the above report to the amount recorded in the Revenue Ledger. 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 agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2010.
- 2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. We noted the Library issued Library Fund Library Facility Notes in the amount of \$830,000 on August 14, 2012.
- 3. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Capital Project, North Adams Library Fund per the Revenue Ledger Report. The Library recorded the debt proceeds net of issuance costs. We recommend the Library record proceeds for the total amount of debt issued and record appropriate expenditures for issuance costs.

4. For new debt issued during 2012, we inspected the debt legislation, noting the Library must use the proceeds to build a building. As of December 31, 2012, the debt proceeds balance is \$800,000. The first debt payment is scheduled to be paid in March 2013.
5. For new debt issued under Ohio Rev. Code Section 3375.404:
  - a. We inspected the Library's calculations showing that the maximum annual note debt service charges did not exceed 30% of the average LLGSF funding (public library funds) for 2010 and 2011. We found no exceptions.
  - b. We inspected the notes for the maximum maturity of 10 years from the date of issue of the original anticipation notes. We found no exceptions.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2012 and one payroll check for five employees from 2011 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(s) to which the check was posted were reasonable based on the employees' duties as documented in the payroll binder with each employee's salary notification and the Wage & Salary Schedule. 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, 2012 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 2012. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare	January 31, 2013	December 27, 2013	\$9,164	\$9,164
State income taxes	January 31, 2013	December 27, 2013	\$1,716	\$1,716
Local Income Tax (West Union)	February 18, 2013	December 27, 2013	\$230	\$230
Local Income Tax (Manchester)	February 28, 2013	December 27, 2013	\$84	\$84
OPERS retirement (Withholding plus employee share)	January 31, 2013	December 27, 2013	\$16,979	\$16,979

We noted no exceptions.

### **Non-Payroll Cash Disbursements**

We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2012 and ten from the year ended 2011 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 Report for 2012 and 2011 for the following funds: General Fund and Capital Project Funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status report.
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, 2012 and 2011 for the General and Capital Project funds, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.

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

March 21, 2013



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ADAMS COUNTY PUBLIC LIBRARY

ADAMS 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 9, 2013