



Dave Yost • Auditor of State

**BRIGGS LAWRENCE COUNTY PUBLIC LIBRARY
LAWRENCE COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Briggs Lawrence County Public Library
Lawrence County
321 South 4th Street
Ironton, Ohio 45638

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Briggs Lawrence County Public Library, Lawrence 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. The December 31, 2011 bank reconciliation for the Payroll Account did not recalculate to the ending balance included on the reconciliation due to the Fiscal Officer not including a deposit-in-transit totaling \$600, other adjusting factors totaling \$598, and outstanding checks totaling \$18,172, for a net difference of \$16,974.
2. We agreed the January 1, 2011 beginning fund balances recorded in the YTD Fund Report to the December 31, 2010 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2012 beginning fund balances recorded in the YTD Fund Report to the December 31, 2011 balances in the YTD 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 YTD Fund Report. The amounts agreed.
4. We confirmed the December 31, 2012 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, 2012 bank reconciliation without exception.
5. We selected four reconciling debits (such as outstanding checks) haphazardly from the December 31, 2012 bank reconciliation for the General Account and five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2012 bank reconciliation for the Payroll Account:

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Cash and Investments (Continued)

- a. We traced each debit to the subsequent January bank statements. We noted two items on the December 31, 2012 payroll reconciliation that were included in other adjusting factors: \$360 which represented a glitch in the CMI computer system and \$60 which was an overage to be paid to Ohio Public Employees Retirement System that has yet to be deducted from the Library's bank account.
 - 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 interbank account transfers occurring in December of 2012 and 2011 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.
 7. 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 Lawrence County State Distribution Transaction Lists from 2012 and two from 2011.

- a. We compared the amount from the Lawrence County State Distribution Transaction Lists to the amount recorded in the Detailed Revenue Transaction 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 Detailed Revenue Transaction Report to determine whether it included one LLGS receipt per month for 2012 and 2011. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2010.
2. We inquired of management, and scanned the Detailed Revenue Transaction Report and Detailed Expense Transaction Report for evidence of debt issued during 2012 or 2011 or debt payment activity during 2012 or 2011. We noted no new debt issuances, nor any debt payment activity during 2012 or 2011.

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 Detail History Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Detail History Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.

Payroll Cash Disbursements (Continued)

- c. 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' personnel files. We also determined whether the payment was posted to the proper year. We found no exceptions.
- 2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel file was consistent with the information used to compute gross and net pay related to this check:
 - a. Name.
 - b. Authorized salary or pay rate.
 - c. Department(s) and fund(s) to which the check should be charged.
 - d. Retirement system participation and payroll withholding.
 - e. Federal, State & Local income tax withholding authorization and withholding.
 - f. Any other deduction authorizations (deferred compensation, etc.).

We found no exceptions related to steps a. – f. above.

- 3. 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:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal Income Taxes & Medicare	1/31/13	12/28/12	\$4,333.04	\$4,333.04
State Income Taxes - Ohio	1/15/13	12/28/12	\$1,793.24	\$1,793.24
State Income Taxes - Kentucky	1/15/13	12/28/12	\$270.58	\$270.58
Local Income Taxes	1/31/13	12/28/12	\$18,048.05	\$18,048.05
OPERS retirement	1/30/13	12/28/12	\$471.24	\$471.24

- 4. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Detail History Report:
 - a. Accumulated leave records.
 - b. The employee's pay rate in effect as of the termination date.
 - c. The Library's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Detailed Expense Transaction 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 Detailed Expense Transaction 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 End of Year Expense Budget Report for 2012 and 2011 for the following funds: General and Capital Improvement. The amounts on the appropriation resolutions agreed to the amounts recorded in the End of Year Expense Budget Report with the exception of the General Fund during 2012 and 2011. The Appropriation Resolutions for the General Fund reflected \$2,279,136 and \$2,482,569, for 2012 and 2011, respectively. The End of Year Expense Budget Reports recorded budgeted expenditures for the General Fund of \$2,294,971 and \$2,333,586 for 2012 and 2011, 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, 2012 and 2011 for the General and Capital Improvements Funds, as recorded in the End of Year Expense Budget Report. We noted no funds for which expenditures exceeded appropriations.

Compliance – Contracts and Expenditures

We inquired of management and scanned the Detailed Expense Transaction Report for the years ended December 31, 2012 and December 31, 2011 for procurements requiring competitive bidding to construct, demolish, alter, repair, 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 Revised Code Section 3375.41). We identified no purchases subject to the aforementioned requirements.

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

April 29, 2013



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BRIGGS LAWRENCE PUBLIC LIBRARY

LAWRENCE 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 16, 2013**