

428 Second St.
Marietta, OH 45750
740.373.0056

1035 Murdoch Ave.
Parkersburg, WV 26101
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569



Certified Public Accountants, A.C.

**Leetonia Community Public Library
Columbiana County
Agreed-Upon Procedures
For the Years Ended December 31, 2015 and 2014**

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...“bringing more to the table”

Tax– Accounting – Audit – Review – Compilation – Agreed Upon Procedure – Consultation – Bookkeeping – Payroll
Litigation Support – Financial Investigations

Members: American Institute of Certified Public Accountants

- Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners •
- Association of Certified Anti - Money Laundering Specialists •



Dave Yost • Auditor of State

Board of Trustees
Leetonia Community Public Library
181 Walnut Street
Leetonia, OH 44431

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Leetonia Community Public Library, Columbiana County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2014 through December 31, 2015. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Leetonia Community Public Library is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 26, 2016

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LEETONIA COMMUNITY PUBLIC LIBRARY
COLUMBIANA COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report on Applying Agreed-Upon Procedures	1



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 15, 2016

Leetonia Community Public Library
181 Walnut Street
Leetonia, OH 44431

To the Board of Trustees:

We have performed the procedures enumerated below, with which the Board of Trustees and the management of **Leetonia Community Public Library, Columbiana County** (the Library) and the Auditor of State 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, 2015 and 2014, 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

1. We tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2014 beginning fund balance recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2013 balance in the documentation in the prior year Agreed-upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2015 beginning fund balance recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2014 balance in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. We found no exceptions.
3. We agreed the total per the bank reconciliation to the total of the December 31, 2015 and 2014 fund cash balances reported in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. The amounts agreed.
4. We confirmed the December 31, 2015 bank account balances with the Library's financial institution. We found no exceptions. We also agreed the confirmed balances to the amount appearing in the December 31, 2015 bank reconciliation without exception.



...*"bringing more to the table"*

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Cash (Continued)

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2015 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. 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.

Public Library Fund Receipts

We selected two Public Library Fund (PLF) receipts from the Columbiana County Cross Reference Report from 2015 and two from 2014. In addition, we selected two PLF receipts from the Mahoning County Invoice Browse Report from 2015 and two from 2014:

- a. We compared the amounts from the Columbiana County Cross Reference Report and Mahoning County Invoice Browse Report to the amounts recorded in the Revenue Ledger. The amounts agreed.
- b. We determined whether these receipts were posted to the General Fund. We noted that \$4,380 of each receipt from Columbiana County was posted to the Library Facilities Note Retirement Fund in 2015 and 2014. We found no other 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 PLF receipt per month for 2015 and 2014. We found no exceptions.

Debt

1. From the prior agreed-upon procedures documentation, we noted the following note outstanding as of December 31, 2013. This amount agreed to the Library's January 1, 2014 balance on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2013:
USDA Facilities Note	\$720,800

2. We inquired of management, and scanned the Revenue Ledger and Appropriation Ledger for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of note debt activity for 2015 and 2014 and agreed principal and interest payments from the related debt amortization schedule to Library Facilities Note Retirement Fund payments reported in the Appropriation Ledger. We also compared the date the debt service payments were due to the date the library made the payments. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2015 and one payroll check for five employees from 2014 from the Wage Detail Reports and:
 - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report 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 were reasonable based on the employees' duties as documented in the minute record. 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 minute record 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 and fund 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, 2015 to determine whether the 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 2015. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2016	December 31, 2015	\$ 1,012.44	\$ 1,012.44
State income taxes	January 15, 2016	December 31, 2015	\$ 250.77	\$ 250.77
OPERS retirement	January 30, 2016	January 6, 2016	\$ 2,319.27	\$ 2,319.27
School district taxes	January 15, 2016	January 4, 2016	\$ 59.55	\$ 59.55
Local income taxes	February 1, 2016	January 26, 2016	\$ 501.52	\$ 501.52

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 Wage Detail 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

1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2015 and ten from the year ended 2014 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 2015 and 2014 for the following funds: General Fund and Library Facilities Note Retirement Fund. We noted the General Fund amount on the Appropriations Status Report exceeded the amount per the appropriations resolution by \$48,207 and \$19,268 in 2015 and 2014, respectively. We found no other exceptions.
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, 2015 and 2014 for the General and Library Facilities Note Retirement Fund, as recorded in the Appropriation Status Report. We noted that General Fund expenditures for 2015 and 2014 exceeded total appropriations by \$45,362 and \$9,482, respectively, contrary to Ohio admin. Code Section 117-8-02. The Fiscal Officer should deny payment requests exceeding appropriations. The Treasurer may request the Trustees to approve increased expenditure levels by increasing appropriations if necessary and if resources are available.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the Library filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. We noted the Library did not file notes as a required part of the annual financial report for 2015. No other exceptions noted.

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 and those charged with governance, the Auditor of State and others within the Library and is not intended to be, and should not be used by anyone other than these specified parties.



Perry and Associates

Certified Public Accountants, A.C.
Marietta, Ohio

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Dave Yost • Auditor of State

LEETONIA COMMUNITY PUBLIC LIBRARY

COLUMBIANA 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
AUGUST 9, 2016