



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Adams County Public Library
Adams County
212 East Sparks Street
West Union, Ohio 45693

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Adams County Public Library (the Library), on the receipts, disbursements and balances recorded in the Library's cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Library. The Library is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Library. 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 recalculated the December 31, 2016 and December 31, 2015 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2015 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2014 balances in the prior year audit. The January 1, 2016 beginning fund balance of \$975,932 recorded in the Fund Ledger Report did not agree to the December 31, 2015 balance of \$973,393 in the Fund Ledger Report. There was a variance of \$2,539, which was due to stop payment orders requested by the Library for 3 lost checks totaling \$2,539. This was corrected in 2016.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2016 and 2015 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2016 bank account balance. We observed the year-end 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, 2016 bank reconciliation without exception.

5. We selected five reconciling debits haphazardly from the December 31, 2016 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement on the 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. There were no exceptions.
6. We inspected investments held at December 31, 2016 and December 31, 2015 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.

Public Library Fund Receipts

We haphazardly selected two Public Library Fund (PLF) receipts from the County Distribution Transaction Lists from 2016 and two from 2015.

- a. We compared the amount from the County Distribution Transaction Lists to the amount recorded in the Receipt Register Report. The amounts agreed.
- b. We inspected the Receipt Register Report and observed these receipts were posted to the General Fund. They were also posted in the debt service fund. This is allowable. We found no exceptions.
- c. We inspected the Receipt Register Report and observed the receipts were recorded in the proper year. We found no exceptions.
- d. We inspected the Receipt Register Report to determine whether it included one PLF_receipt per month for 2016 and 2015. We found no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We haphazardly selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* for 2016 and one from 2015:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Register Report. The amounts agreed.
 - b. We inspected the Receipt Register Report to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the Receipt Register Report to determine whether it included two real estate tax receipts for 2016 and 2015. The Receipts Register Report included the proper number of tax receipts for each year.
3. We selected all three receipts from the State Distribution Transaction Lists (DTL) from 2016 and all three from 2015.

- a. We compared the amount from the above report to the amount recorded in the Receipt Register Report. The amounts agreed.
- b. We inspected the Receipt Register Report to determine whether that these receipts were allocated to the proper funds. We found no exceptions.
- c. We inspected the Receipt Register Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. From the prior audit documentation, we observed the following notes were outstanding as of December 31, 2014. These amounts agreed to the Libraries January 1, 2015 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2014:
General Obligation Notes	\$675,000

2. We inquired of management, and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. All debt noted agreed to the summary we used in step 1.
3. We obtained a summary of note debt activity for 2016 and 2015 and agreed principal and interest payments from the related debt amortization schedule to debt service fund payments reported in the Payment Register Detail Report. 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 2016 and one payroll check for five employees from 2015 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 of statutorily-approved rate or salary. We found no exceptions.
 - b. We inspected the fund and account codes to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the Employee General Information Report. We also confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2016 to confirm 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 2016. We observed 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, 2017	12/30/2016	\$5,655.56	\$5,655.56
State income taxes	January 15, 2017	12/30/2016	\$906.05	\$906.05
Local income tax: West Union, Manchester	January 15, 2017	12/30/2016	\$388.77	\$388.77
OPERS retirement	January 31, 2017	12/30/2016	\$13,322.56	\$13,322.56

We found no exception when checking payments. All payments were paid on time and the correct amounts were paid.

3. We haphazardly selected and recomputed one termination payment using the following information, and agreed the computation to the amount paid as recorded in the Employee Detail Adjustment 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, 2016 and ten from the year ended 2015 and determined whether:
 - a. The disbursements were for a proper public purpose. There was one instance where supporting documentation for proper public purpose was not found at the time of request. It was later obtained through the vendor. It was found that it was 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.
2. We inspected the Payment Register Detail Report for the year ended December 31, 2016 and 2015 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. No exceptions found.

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 2016 and 2015 for the following funds: General Fund and CP- Perm. Improvements Fund. 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, 2016 and 2015 for the General and CP- Perm. Improvements fund, as recorded in the Appropriation Status Report. We observed that no funds for which expenditures exceeded appropriations.

Other Compliance

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We confirmed the Library filed their complete financial statements as defined by AOS Bulletin 2016-007 within the allotted timeframe for the years ended December 31, 2016 and 2015. We found no exceptions.

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*. We were not engaged to, and did not conduct an examination, or review, the objective of which would be the expression of an opinion or conclusion, respectively on the Library's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is for the use of the Library to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2016 and 2015, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Dave Yost
Auditor of State

Columbus, Ohio

August 9, 2017

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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
AUGUST 24, 2017