



**MAHONING LAW LIBRARY ASSOCIATION
MAHONING COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**MAHONING LAW LIBRARY ASSOCIATION
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REPORT OF INDEPENDENT ACCOUNTANTS

Mahoning Law Library Association
Mahoning County
Fourth Floor Court House
120 Market Street
Youngstown, OH 44503-1752

To the Board of Trustees:

We have audited the accompanying financial statements of the Mahoning Law Library Association, Mahoning County, Ohio, (the Library) as of and for the years ended December 31, 1999 and December 31, 1998. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Library as of December 31, 1999 and December 31, 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2000 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the management, Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro
Auditor of State

May 15, 2000

**MAHONING LAW LIBRARY ASSOCIATION
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

	General
Cash Receipts:	
Intergovernmental	\$391,657
Comupter Receipts - Westlaw	183
Earnings on Investments	167
Fines, Licenses and Permits	31,113
Contributions	7,500
Miscellaneous Receipts	5,694
 Total Cash Receipts	 436,314
Cash Disbursements:	
Current:	
Salaries and Benefits	114,606
Book Expenses	305,214
General Expenses	22,648
Computer Expenses - Westlaw	2,368
Miscellaneous	2,326
 Total Cash Disbursements	 447,162
 Total Cash Receipts Over/(Under) Cash Disbursements	 (10,848)
 Fund Cash Balances, January 1	 18,019
 Fund Cash Balances, December 31	 \$7,171

The notes to the financial statements are an integral part of this statement.

**MAHONING LAW LIBRARY ASSOCIATION
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1998**

	General
Cash Receipts:	
Intergovernmental	\$362,101
Comupter Receipts - Westlaw	682
Earnings on Investments	326
Fines, Licenses and Permits	31,153
Contributions	1,178
Miscellaneous Receipts	10,469
Total Cash Receipts	405,909
Cash Disbursements:	
Current:	
Salaries and Benefits	101,573
Book Expenses	260,466
General Expenses	22,163
Computer Expenses - Westlaw	2,454
Miscellaneous	8,031
Total Cash Disbursements	394,687
Total Cash Receipts Over/(Under) Cash Disbursements	11,222
Fund Cash Balances, January 1	6,797
Fund Cash Balances, December 31	\$18,019

The notes to the financial statements are an integral part of this statement.

**MAHONING LAW LIBRARY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Mahoning Law Library Association, Mahoning County, (the Library) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Library is directed by an eight-member Board of Trustees (seven voting and one nonvoting members).

Mahoning Law Library Association is a not-for-profit private corporation which adopted its articles of incorporation (on February 7, 1906) in accordance with Ohio Revised Code Section 1713.28. The Library is funded primarily with public monies to provide library service to the County and Municipal Courts, as well as the citizens of Mahoning County.

The Library's management believes these financial statements present all activities for which the Library is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

The Library maintains a general operating account, which is valued at cost.

D. Fund Accounting

The Library uses fund accounting to segregate cash and investments that are restricted as to use. The Library classifies its fund into the following type:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

F. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Library.

**MAHONING LAW LIBRARY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

2. CASH DEPOSITS

The carrying amount of cash deposits at December 31 follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	\$7,171	\$18,019

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. RETIREMENT SYSTEM

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

Contribution rates are also prescribed by the Ohio Revised Code. The Library's PERS members contributed 8.5% of their gross salaries. The Library contributed an amount equal to 13.55% of participants' gross salaries. The Library has paid all contributions required through December 31, 1999.

4. RISK MANAGEMENT

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and omissions

The Library also provides health insurance and dental and vision coverage to full-time employees through a private carrier.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Mahoning Law Library Association
Mahoning County
Fourth Floor Court House
120 Market Street
Youngstown, OH 44503-1752

To the Board of Trustees:

We have audited the accompanying financial statements of the Mahoning Law Library Association, Mahoning County, Ohio (the Library), as of and for the years ended December 31, 1999 and December 31, 1998 and have issued our report thereon dated May 15, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Library's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Library's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted one matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Library in a separate letter dated May 15, 2000.

This report is intended for the information and use of the management and Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

May 15, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

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MAHONING LAW LIBRARY ASSOCIATION

MAHONING 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
JUNE 27, 2000**