



**WAYNE COUNTY LAW LIBRARY ASSOCIATION  
WAYNE COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998**



**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



WAYNE COUNTY LAW LIBRARY ASSOCIATION

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Report of Independent Accountants .....	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999 .....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1998 .....	4
Notes to the Financial Statements .....	5
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	7

**This page intentionally left blank.**



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS**

Wayne County Law Library Association  
Wayne County  
107 West Liberty Street  
Wooster, Ohio 44691

To the Board of Trustees:

We have audited the accompanying financial statements of the Wayne County Law Library Association, Wayne County, Ohio, (the Library) as of and for the years ended December 31, 1999 and 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 audits.

We conducted our audits 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 audits 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 audits 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 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 24, 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 management, the 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 24, 2000

**This page intentionally left blank.**

**WAYNE COUNTY LAW LIBRARY ASSOCIATION  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Fines	\$267,589	\$0	\$267,589
Earnings on Investments	1,082	4,482	5,564
Refunds and Reimbursements	3,713		3,713
	<u>272,384</u>	<u>4,482</u>	<u>276,866</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Current:			
Books and Subscriptions	202,333		202,333
Computer Services	2,260		2,260
Office Supplies and Miscellaneous	2,666	1,523	4,189
Telephone	2,321		2,321
Insurance	519		519
Capital Outlay	15,580	3,664	19,244
	<u>225,679</u>	<u>5,187</u>	<u>230,866</u>
<b>Total Cash Disbursements</b>			
Total Cash Receipts Over/(Under) Cash Disbursements	46,705	(705)	46,000
Fund Cash Balances, January 1	153	118,499	118,652
	<u>153</u>	<u>118,499</u>	<u>118,652</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$46,858</u></b>	<b><u>\$117,794</u></b>	<b><u>\$164,652</u></b>

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

**WAYNE COUNTY LAW LIBRARY ASSOCIATION  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Fines	\$225,361	\$0	\$225,361
Earnings on Investments	646	5,472	6,118
Refunds and Reimbursements	<u>2,418</u>		<u>2,418</u>
Total Cash Receipts	<u>228,425</u>	<u>5,472</u>	<u>233,897</u>
<b>Cash Disbursements:</b>			
Current:			
Books and Subscriptions	182,497		182,497
Computer Services	199	1,641	1,840
Office Supplies and Miscellaneous	3,320	255	3,575
Telephone	2,587		2,587
Insurance	1,980		1,980
Capital Outlay	<u>37,980</u>		<u>37,980</u>
Total Cash Disbursements	<u>228,563</u>	<u>1,896</u>	<u>230,459</u>
Total Cash Receipts Over/(Under) Cash Disbursements	(138)	3,576	3,438
Fund Cash Balances, January 1	<u>291</u>	<u>114,923</u>	<u>115,214</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$153</u></b>	<b><u>\$118,499</u></b>	<b><u>\$118,652</u></b>

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



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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Wayne County Law Library Association, Wayne 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 a three-member Board of Trustees appointed by the Wayne County Bar Association. The Library was formed to acquire and maintain a library of law books, periodicals and other books, papers and documents for the use of members of the bar association of Wayne County and others who comply with the rules and regulations of said association.

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 had no investments during the audit period. All funds of the Library were held in interest bearing checking accounts or certificates of deposit. Certificates of deposit are valued at cost.

**D. Fund Accounting**

The Library uses fund accounting to segregate cash that is restricted as to use. The Library classifies its funds into the following types:

**1. 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. If the General Fund has an operating cash surplus, the Library is required to refund ninety percent of the surplus to the treasurer's of the contributing subdivisions. The refund would be proportional to the amount contributed.

**2. Special Revenue Fund**

This fund is used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Library's only Special Revenue Fund is the Ten Percent Retainage Fund which receives interest earned on an interest bearing checking account, interest earned on certificates of deposit and ten percent of general fund receipts not disbursed during the fiscal year.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

**2. EQUITY IN POOLED CASH**

The Library maintains separate depository accounts for each fund. The Ohio Revised Code prescribes allowable deposits. The carrying amount of cash at December 31 was as follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	\$72,948	\$107,464
Certificates of deposit	<u>91,704</u>	<u>11,188</u>
Total deposits	<u><u>\$164,652</u></u>	<u><u>\$118,652</u></u>

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

**3. LAW LIBRARY FUNDING**

The primary source of revenue for the Library is fines, penalties and forfeited bail from municipal and county courts, including common pleas and probate; and fines, penalties and forfeited bail from cases involving violations of liquor control laws.

This funding method varies for each of the courts and violations as prescribed by Ohio Revised Code Sections 3375.50 through 3375.53.

**4. RISK MANAGEMENT**

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Crime
- Inland Marine



STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
www.auditor.state.oh.us

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

Wayne County Law Library Association  
Wayne County  
107 West Liberty Street  
Wooster, Ohio 44691

To the Board of Trustees:

We have audited the accompanying financial statements of the Wayne County Law Library Association, Wayne County, Ohio, (the Library) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated May 24, 2000. We conducted our audits 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 audits 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*. However, we noted an immaterial instance of noncompliance that we have reported to management of the Library in a separate letter dated May 24, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered the 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 other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Library in a separate letter dated May 24, 2000.

Wayne County Law Library Association  
Wayne County  
Report of Independent Accountants on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page 2

This report is intended for the information and use of management, and the 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 stylized with a large, looping initial "J" and a long horizontal stroke extending to the right.

**Jim Petro**  
Auditor of State

May 24, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**LAW LIBRARY ASSOCIATION**

**WAYNE 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  
JULY 25, 2000**