



**BELMONT LAW LIBRARY ASSOCIATION
BELMONT COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**BELMONT LAW LIBRARY ASSOCIATION
BELMONT COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balance - Public Funds - For the Year Ended December 31, 2000	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balance - Public Funds - For the Year Ended December 31, 1999	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
Schedule of Findings	9

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

743 East State Street
Athens Mall, Suite B
Athens, Ohio 45701

Telephone 740-594-3300
800-441-1389

Facsimile 740-594-2110
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Belmont Law Library Association
Belmont County
101 West Main Street
St. Clairsville, Ohio 43950

To the Board of Trustees:

We have audited the accompanying financial statements of the Public Funds of the Belmont Law Library Association, Belmont County, Ohio (the Law Library), as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Law 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 auditing standards generally accepted in the United States of America 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 described in Note 1, the Law 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. Also, as discussed in Note 1F, the financial statements present only the public funds of the Law Library, and are not intended to present the cash balances and cash receipts and cash disbursements of all funds of the Law Library.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balance of the Public Funds of the Belmont Law Library Association, Belmont County, as of December 31, 2000 and 1999, 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 July 27, 2001, on our consideration of the Law Library's internal control over financial reporting related to public funds and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants related to public funds. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Jim Petro
Auditor of State

July 27, 2001

**BELMONT LAW LIBRARY ASSOCIATION
BELMONT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN CASH BALANCE - PUBLIC FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000**

Cash Receipts:	
Belmont County Auditor	\$174,111
Copies, Computer, and Fax	3,718
Interest Income	7,585
Refunds	<u>568</u>
 Total Cash Receipts	 <u>185,982</u>
 Cash Disbursements:	
Current:	
Books, Tapes, and Publications	108,607
Postage	132
Insurance	802
Supplies	612
Professional Fees	1,842
Telephone, Computer, and Fax	1,387
Copier	4,447
Repairs and Maintenance	888
Distribution of Surplus Funds	19,421
Meetings	49
Miscellaneous	<u>262</u>
 Total Cash Disbursements	 <u>138,449</u>
 Total Cash Receipts Over/(Under) Cash Disbursements	 <u>47,533</u>
 Cash Balance, January 1	 <u>274,794</u>
 Cash Balance, December 31	 <u><u>\$322,327</u></u>

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

**BELMONT LAW LIBRARY ASSOCIATION
BELMONT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN CASH BALANCE - PUBLIC FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999**

Cash Receipts:

Belmont County Auditor	\$211,711
Clerk of Courts	1,250
Copies, Computer, and Fax	6,952
Interest Income	8,085
Refunds	<u>2,649</u>

Total Cash Receipts 230,647

Cash Disbursements:

Current:	
Books, Tapes, and Publications	183,399
Postage	165
Insurance	902
Supplies	396
State Audit	2,479
Professional Fees	1,600
Telephone, Computer, and Fax	1,377
Repairs and Maintenance	1,336
Distribution of Surplus Funds	13,257
Miscellaneous	<u>135</u>

Total Cash Disbursements 205,046

Total Cash Receipts Over/(Under) Cash Disbursements 25,601

Cash Balance, January 1 249,193

Cash Balance, December 31 \$274,794

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

**BELMONT LAW LIBRARY ASSOCIATION
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Belmont Law Library Association, Belmont County (the Law Library), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the "Constitution and Code of Regulation of the Belmont County Bar and Law Library Association". The Law Library is directed by a Board appointed six-member Board of Trustees. The Law Library provides general Law Library services.

The accompanying financial statements present only the receipt and disbursement of public funds, and is not intended to present all cash receipts and disbursements of the Law Library. (See Note 1 F.)

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

Certificates of deposit are valued at cost.

D. Budgetary Process

The Law Library is not required to follow the budgetary requirements under Ohio Revised Code Chapter 5705. Accordingly, no budgetary information is presented.

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. The Membership Fund

The Law Library has established and currently maintains a fund whereby the attorneys belonging to the Belmont County Bar Association contribute membership dues. These funds represent private monies and are not restricted by State statute. The Membership Fund financial activity is not included in the accompanying financial statements.

**BELMONT LAW LIBRARY ASSOCIATION
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

2. CASH AND INVESTMENTS

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$187,787	\$217,862
Certificates of deposit	<u>134,540</u>	<u>56,932</u>
Total deposits	<u>\$322,327</u>	<u>\$274,794</u>

Deposits: Deposits are either (1) insured by the Federal Deposit Insurance Corporation or (2) collateralized by securities specifically pledged by the financial institution to the Law Library.

3. RISK MANAGEMENT

The Law Library has obtained commercial insurance for the following risks:

- General liability and casualty
- Property



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

743 East State Street
Athens Mall, Suite B
Athens, Ohio 45701

Telephone 740-594-3300
800-441-1389

Facsimile 740-594-2110
www.auditor.state.oh.us

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

Belmont Law Library Association
Belmont County
101 West Main Street
St. Clairsville, Ohio 43950

To the Board of Trustees:

We have audited the financial statements of the Public Funds of the Belmont Law Library Association, Belmont County, Ohio (the Law Library), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated July 27, 2001. Our engagement was not intended to include nonpublic funds (i.e., the Membership Fund) of the Law Library. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Law 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*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the Law Library in a separate letter dated July 27, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Law 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Law Library's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Schedule of Findings as item 2000-61007-001.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also 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 Law Library in a separate letter dated July 27, 2001.

Belmont Law Library Association
Belmont 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 the audit committee, management, and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

July 27, 2001

**BELMONT LAW LIBRARY ASSOCIATION
BELMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2000 AND 1999**

**FINDING RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2000-61007-001

Reportable Condition

There were numerous instances throughout the period where the Law Librarian deposited monies in the designated depository one to three months from the date of receipt. This could cause the Law Library bank account to carry negative cash balances and/or checks received could be lost or stolen.

We recommend the Law Librarian deposit cash and/or checks received in the Law Library's designated depository on the business day following the day of receipt or within a reasonable period of time.



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

BELMONT LAW LIBRARY ASSOCIATION

BELMONT 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
SEPTEMBER 6, 2001**