



**Auditor of State  
Betty Montgomery**



LAW LIBRARY ASSOCIATION  
SANDUSKY COUNTY

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Law Library Association  
Sandusky County  
323 High Street, Ste. 2  
Fremont, OH 43420-2995

To the Board of Trustees:

We have audited the accompanying financial statements of the Sandusky County Law Library Association (the Library) as of and for the years ended December 31, 2002 and 2001. 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 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 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 provide 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 Sandusky County Law Library Association as of December 31, 2002 and 2001, 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 April 16, 2003 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. 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 audits.

Law Library Association  
Sandusky County  
Independent Accountants' Report  
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This report is intended solely for the information and use of the audit committee, 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

April 16, 2003

**LAW LIBRARY ASSOCIATION  
SANDUSKY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN CASH BALANCES  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>General Fund</u>
<b>Cash Receipts:</b>	
Fine and Forfeitures	\$305,819
Photo Copies	2,694
Legal Research	1,699
Donations	25
Interest	2,663
Miscellaneous Receipts	<u>1,163</u>
Total Cash Receipts	<u>314,063</u>
<b>Cash Disbursements:</b>	
Salaries	7,202
Supplies and Materials	5,514
Taxes	208
Books	197,704
Insurance	638
Legal Research	71,923
Equipment	6,683
Internet Services	2,336
Miscellaneous	<u>4,760</u>
Total Cash Disbursements	<u>296,968</u>
Total Cash Receipts Over Cash Disbursements	17,095
Cash Balances, January 1	<u>127,331</u>
<b>Cash Balances, December 31</b>	<b><u><u>\$144,426</u></u></b>

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

**LAW LIBRARY ASSOCIATION  
SANDUSKY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN CASH BALANCES  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<b>General Fund</b>
<b>Cash Receipts:</b>	
Fine and Forfeitures	\$255,013
Photo Copies	591
Interest	4,125
Miscellaneous Receipts	<u>2,912</u>
Total Cash Receipts	<u>262,641</u>
<b>Cash Disbursements:</b>	
Salaries	5,311
Supplies and Materials	1,486
Taxes	206
Books	160,560
Insurance	300
Legal Research	61,999
Refunds to Relative Income Sources	212
Equipment	5,967
Internet Services	9,178
Miscellaneous	<u>10,963</u>
Total Cash Disbursements	<u>256,182</u>
Total Cash Receipts Over Cash Disbursements	6,459
Cash Balances, January 1	<u>120,872</u>
<b>Cash Balances, December 31</b>	<b><u><u>\$127,331</u></u></b>

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



**LAW LIBRARY ASSOCIATION  
SANDUSKY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Sandusky County Law Library Association (the Library) is directed by a board of five trustees who are elected bi-annually by members of the Sandusky County Bar Association. The Library provides free access for all county officers and the judges of the several courts within the county.

The Library operates by receiving a portion of fine and forfeiture monies from the courts (and any associated interest) under Ohio Revised Code (ORC) §§ 3375.50 to .53, inclusive. The Library is permitted to expend funds under ORC § 3375.54. The funds of the Library are expended on the purchase, lease or rental of lawbooks; computer communications consoles to access a system of computerized legal research; microfilm materials and equipment, videotape materials and equipment; audio or visual materials and equipment; and other services, materials, and equipment that provide legal information or facilitate legal research.

The Sandusky County Commissioners are required by ORC § 3375.49 to provide adequate facilities for the Library. The Board of County Commissioners is required to provide suitable bookcases, heating and lighting for the rooms.

The Board of Trustees hires a librarian and not more than two assistant law librarians. The Judges of the Court of Common Pleas of Sandusky County fix the compensation of the librarian and up to two assistant librarians pursuant to ORC § 3375.48. If the Library provides free access to all county officers and the judges of the several courts, the salary of the law librarian and up to two assistants should be paid from the county treasury. If the conditions above are not met, then the salary of the librarian and any assistants should be paid by the Library.

The Library's management believes these financial statements present all funds for which the Library is financially accountable. The accompanying financial statements also include private monies, see note 1C.

**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. 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:

**LAW LIBRARY ASSOCIATION  
SANDUSKY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001  
(Continued)**

**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.

**2. Private Monies**

Some funds the Library receives are considered private monies. Private monies include: membership dues, overdue book charges and photocopying charges. Fees collected for the use of books and copiers remain private even though the books and copiers may have been purchased with public funds. The Library can disburse private monies at its discretion. Private monies are included in the General Fund.

**D. Property, Plant and Equipment**

Acquisitions of equipment are recorded as equipment disbursements when paid. These items are not reflected as assets on the accompanying financial statements. Items purchased which are deemed to be equipment are computers, copiers, fax machines, and other items related toward facilitating the use of the equipment.

**E. Refund to Relative Income Sources**

If certain conditions are met, the Library is required to refund at least ninety percent of any unencumbered balance to political subdivisions that provided revenues to the Library. See Footnote 3 for additional information.

**2. CALCULATION OF REFUND TO RELATIVE INCOME SOURCES AND AMOUNT RETAINED**

In any year that revenues exceed disbursements, the Library refunds at least ninety percent of the balance to the political subdivisions who provided the funds and retains the remaining amount. This refund process is referred to as the application of ORC § 3375.56 or refund to relative income sources. During 2002 and 2001, there were no refunds or retained monies.

**3. EQUITY IN POOLED CASH**

The Library maintains a cash pool used by all funds. The Ohio Revised Code prescribes allowable deposits. The carrying amount of cash at December 31 follows:

	<u>2002</u>	<u>2001</u>
Demand deposits	<u>\$144,426</u>	<u>\$127,331</u>

Deposits are insured by the Federal Depository Insurance Corporation.

**4. RISK MANAGEMENT**

**Commercial Insurance**

The Library has obtained commercial insurance for the following risks:

- Commercial Property.
- Business Personal Property.



**Auditor of State  
Betty Montgomery**

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

Law Library Association  
Sandusky County  
323 High Street, Ste. 2  
Fremont, OH 43420-2995

To the Board of Trustees:

We have audited the accompanying financial statements of the Sandusky County Law Library Association (the Library) as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated April 16, 2003. We conducted our audits 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 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 a certain immaterial instance of noncompliance that we have reported to management of the Library in a separate letter dated April 16, 2003.

**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 April 16, 2003.

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Law Library Association  
Sandusky County  
Independent Accountants' Report on Compliance and on Internal  
Control Required by *Government Auditing Standards*  
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This report is intended solely for the information and use of the audit committee, 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

April 16, 2003



**Auditor of State  
Betty Montgomery**

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**SANDUSKY COUNTY LAW LIBRARY ASSOCIATION**

**SANDUSKY 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  
MAY 27, 2003**