



Mary Taylor, CPA  
Auditor of State



ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter .....	1
Independent Accountants' Report.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types - For the Year Ended December 31, 2009.....	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types - For the Year Ended December 31, 2008.....	6
Notes to the Financial Statements .....	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	13
Schedule of Findings.....	15
Schedule of Prior Audit Findings.....	16

**This page intentionally left blank.**



**Mary Taylor, CPA**  
Auditor of State

St. Paris Public Library  
Champaign County  
P.O. Box 740  
St. Paris, Ohio 43072

To the Board of the Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

*Mary Taylor*

**Mary Taylor, CPA**  
Auditor of State

April 28, 2010

**This page intentionally left blank.**



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

St. Paris Public Library  
Champaign County  
P. O. Box 740  
St. Paris, Ohio 43072

To the Board of Trustees:

We have audited the accompanying financial statements of St. Paris Public Library, Champaign County, (the Library) as of and for the years ended December 31, 2009 and 2008. 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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. The Library processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Library because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Library has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Library's larger (i.e. major) funds separately. While the Library does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Libraries to reformat their statements. The Library has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Library as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of St. Paris Public Library, Champaign County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

For the years ended December 31, 2009 and 2008, the Library revised its financial presentation from that comparable to the requirements of *Governmental Accounting Standard* No. 34, Basis Financial Statements-and Management's Discussion and Analysis – for State and Local Governments to a format the Auditor of State prescribes and permits.

The Library has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2010, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

April 28, 2010



**ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	All Fund Types			Totals (Memorandum Only)
	General	Capital Projects	Permanent	
<b>Cash Receipts:</b>				
Property and Other Local Taxes	\$98,862			\$98,862
Public Library	252,095			252,095
Intergovernmental	15,477			15,477
Patron Fines and Fees	9,029			9,029
Contributions, Gifts and Donations	7,153	\$93		7,246
Earnings on Investments	4,577		\$2,375	6,952
Miscellaneous	10,205			10,205
Total Cash Receipts	397,398	93	2,375	399,866
<b>Cash Disbursements:</b>				
<b>Current:</b>				
Salaries	161,134			161,134
Employee Fringe Benefits	74,462			74,462
Purchased and Contractual Services	71,801			71,801
Library Materials and Information	36,321			36,321
Supplies	14,135	844		14,979
Other	5,238			5,238
Capital Outlay	1,365	1,882		3,247
Total Cash Disbursements	364,456	2,726		367,182
Total Receipts Over/(Under) Disbursements	32,942	(2,633)	2,375	32,684
<b>Other Financing Receipts / (Disbursements):</b>				
Transfers-In		10,000		10,000
Transfers-Out	(10,000)			(10,000)
Total Other Financing Receipts / (Disbursements)	(10,000)	10,000		
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	22,942	7,367	2,375	32,684
Fund Cash Balances, January 1	121,569	159,595	71,407	352,571
Fund Cash Balances, December 31	\$144,511	\$166,962	\$73,782	\$385,255
Reserve for Encumbrances, December 31	\$7,103	\$0	\$0	\$7,103

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

**ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>All Fund Types</u>				<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Permanent</u>	
<b>Cash Receipts:</b>					
Public Library	\$ 306,680				306,680
Intergovernmental	1,146				1,146
Patron Fines and Fees	13,107				13,107
Contributions, Gifts and Donations	7,554		\$1,809		9,363
Earnings on Investments	6,135			\$2,920	9,055
Total Cash Receipts	<u>334,622</u>		<u>1,809</u>	<u>2,920</u>	<u>339,351</u>
<b>Cash Disbursements:</b>					
<b>Current:</b>					
Salaries	151,930				151,930
Employee Fringe Benefits	72,224				72,224
Purchased and Contractual Services	68,385		661		69,046
Library Materials and Information	34,745				34,745
Supplies	11,119	\$23			11,142
Other	1,944				1,944
Capital Outlay	500				500
Total Cash Disbursements	<u>340,847</u>	<u>23</u>	<u>661</u>		<u>341,531</u>
Total Receipts Over/(Under) Disbursements	<u>(6,225)</u>	<u>(23)</u>	<u>1,148</u>	<u>2,920</u>	<u>(2,180)</u>
<b>Other Financing Receipts / (Disbursements):</b>					
Transfers-In	50,000				50,000
Transfers-Out			(50,000)		(50,000)
Other Financing Sources	1,814				1,814
Total Other Financing Receipts / (Disbursements)	<u>51,814</u>		<u>(50,000)</u>		<u>1,814</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	45,589	(23)	(48,852)	2,920	(366)
Fund Cash Balances, January 1	<u>75,980</u>	<u>23</u>	<u>208,447</u>	<u>68,487</u>	<u>352,937</u>
Fund Cash Balances, December 31	<u>\$121,569</u>	<u>\$0</u>	<u>\$159,595</u>	<u>\$71,407</u>	<u>\$352,571</u>
Reserve for Encumbrances, December 31	<u>\$1,171</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,171</u>

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

**ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the St. Paris Public Library, Champaign County, (the Library) as a body corporate and politic. The Graham Local School District Board of Education appoint a seven member Board of Trustees to govern the Library. The School Board is the Library's taxing authority.

The Library provides the community with various educational and literary resources.

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

**B. Accounting Basis**

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Library recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Deposits and Investments**

The Library's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Stock is carried at cost or fair value when donated. Money market mutual funds (including STAR Ohio) are recorded at share values the mutual funds report.

**D. Fund Accounting**

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

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Library had the following significant Special Revenue Fund:

**McMorran Unrestricted Trust** – This fund accounts for a trust from Sam McMorran for library expenses.

ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Capital Project Funds

These funds account for receipts restricted to acquiring or constructing major capital projects. The Library had the following significant capital project funds:

**Building Repair Fund** – This fund accounts for monies set aside by the Board specifically for major repairs and improvements to the library building.

**Capital Improvement Fund** – This fund accounts for monies set aside by the Board specifically for capital improvements such as enlargement of the library building or the opening of branch libraries and any other major expenditures not accounted for in the building repair fund.

**Contingency Fund** – This fund accounts for monies set aside by the Board specifically to be used in an unusual fiscal emergency such as loss of state funds.

**Technology Fund** – This fund accounts for monies received for the purpose of technology related expenditures.

4. Permanent Funds

These funds account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the Library's programs. The Library had the following significant permanent fund:

**Richard Barger Bequest** – This fund is restricted as to principal. Its purpose is to use the investment income for general use while leaving the principal intact.

E. Budgetary Process

The Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end. Budgetary expenditures may not exceed appropriations at the function level of control.

A summary of 2009 and 2008 budgetary activity appears in Note 3.

F. Property, Plant, and Equipment

The Library records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**2. EQUITY IN POOLED DEPOSITS AND INVESTMENTS**

The Library maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	<u>2009</u>	<u>2008</u>
Demand deposits	\$190,207	\$160,277
Certificates of deposit	169,729	167,038
Total deposits	<u>359,936</u>	<u>327,315</u>
STAR Ohio	23,019	22,956
Common stock (at cost, fair value was \$6,210 and \$5,139 at December 31, 2009 and 2008, respectively.)	2,300	2,300
Total investments	<u>25,319</u>	<u>25,256</u>
Total deposits and investments	<u>\$385,255</u>	<u>\$352,571</u>

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Library.

**Investments:** Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2009 and 2008 is as follows:

<u>2009 Budgeted vs. Actual Receipts</u>			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$458,610	\$397,398	(\$61,212)
Capital Projects	17,200	10,093	(7,107)
Permanent	-	2,375	2,375
Total	<u>\$475,810</u>	<u>\$409,866</u>	<u>(\$65,944)</u>

<u>2009 Budgeted vs. Actual Budgetary Basis Expenditures</u>			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$474,887	\$381,559	\$ 93,328
Capital Projects	23,958	2,726	21,232
Permanent	-	-	-
Total	<u>\$498,845</u>	<u>\$384,285</u>	<u>\$114,560</u>

<u>2008 Budgeted vs. Actual Receipts</u>			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$398,210	\$386,436	(\$11,774)
Special Revenue	-	-	-
Capital Projects	7,069	1,809	(5,260)
Permanent	3,752	2,920	(832)
Total	<u>\$409,031</u>	<u>\$391,165</u>	<u>(\$17,866)</u>

**ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

<b>2008 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$396,689	\$342,018	\$54,671
Special Revenue	23	23	-
Capital Projects	57,820	50,661	7,159
Permanent	-	-	-
Total	<u>\$454,532</u>	<u>\$392,702</u>	<u>\$61,830</u>

**4. GRANTS-IN-AID AND TAX RECEIPTS**

The primary source of revenue for Ohio public libraries is the State Library and Local Government Support Fund (LLGSF). The State allocates LLGSF to each county based on the county's prior intangibles tax of LLGSF revenues, and its population. The County Budget Commission allocates these funds to the Library based on its needs such as for the construction of new library buildings, improvements, operation, maintenance, or other expenses. The Budget Commission cannot reduce its allocation of these funds to the Library based on any additional revenues the Library receives.

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the Library is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the taxing district.

Property owners assess tangible personal property tax. These owners must file a list of tangible property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Library.

**5. RETIREMENT SYSTEMS**

The Library's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OPERS members contributed 10% of their gross salaries and the Library contributed an amount equaling 14% of participants' gross salaries. The Library has paid all contributions required through December 31, 2009.

**ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**6. RISK MANAGEMENT**

**Commercial Insurance**

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors

**This page intentionally left blank.**





# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

St. Paris Public Library  
Champaign County  
P. O. Box 740  
St. Paris, Ohio 43072

To the Library Board of Trustees:

We have audited the financial statements of the St. Paris Public Library (the Library) as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated April 28, 2010 wherein we noted the Library prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We also noted the Library uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Library. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We also noted the Library revised its financial presentation from that comparable to the requirements of *Governmental Accounting Standard* No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments to a format the Auditor of State prescribes or permits. 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 the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Library's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Library's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Library's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2009-001 described in the accompanying schedule of findings to be a material weakness.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402  
Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

### Compliance and Other Matters

As part of reasonably assuring whether the Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2009-001.

We also noted certain matters not requiring inclusion in this report that we reported to the Library's management in a separate letter dated April 28, 2010.

The Library's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the Library's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of management, the audit/finance committee, Library Board of Trustees, and others within the Library. We intend it for no one other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

April 28, 2010

**ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2009 AND 2008**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2009-001**

**Ohio Rev. Code Section 135.21** states in part, that interest earned must be credited to the general fund of the subdivision with the following exceptions:

- **ORC Section 3375.391** states the board of library trustees of any free public library district may adopt a resolution requiring the treasurer of the district to credit the earnings made on the investment of the principal of the moneys specified in the resolution to the fund from which the earnings arose or any other fund of the district as the board specifies in its resolution.
- **ORC Section 5705.131** states interest earned on principal of a permanent fund established to receive donations or contributions that the donor or contributor requires to be maintained intact must be credited to the permanent fund to which the principal belongs.

Interest was posted to the capital projects fund amounting to \$3,048 in 2008 and \$1,062 in 2009, and represented 63% of 2008 capital projects fund's receipts, and 9.5% of 2009 capital projects fund's receipts. The Library Board of Trustees did not pass a resolution stating that any fund except the General and Permanent Funds could receive interest. The Board should pass a resolution specifying the funds to receive interest, if they want additional funds to receive interest. The financial statements have been adjusted to reflect the proper interest allocation per fund.

**Officials' Response:**

At the conclusion of the last audit, in order to comply with recommendations made, I intended to begin posting the interest on the capital improvements fund to the general fund. I didn't realize that I wasn't until recently upon review of the fund balance reports, which I have attributed to a misunderstanding of UAN functionality. I was unsure of the account numbers to use in UAN to send the interest to the general fund.

Also, UAN does not allow you to go back and make a change in the period the error occurred and restate balances from that point going forward; it only allows you to make the change from the time you discover the error forward. I have since determined the correct account codes to use and will post the interest correctly from now on.

**ST. PARIS PUBLIC LIBRARY  
CHAMPAIGN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2009 AND 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2007-002	ORC Section 135.21- interest posted to other funds besides the general fund	No	Reissued as Finding 2009-001
2007-001	Untimely completion and errors of bank reconciliation	Yes	
2007-003	ORC Section 135.18(A)- insignificant collateral pledged to cover deposits	Yes	



**Mary Taylor, CPA**  
Auditor of State

**ST. PARIS PUBLIC LIBRARY**

**CHAMPAIGN 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 1, 2010**