



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Holgate Community Library
Henry County
204 Railway Avenue
P.O. Box 726
Holgate, Ohio 43527-0726

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Holgate Community Library, Henry County, Ohio (the Library) on the receipts, disbursements and balances recorded in the Library's cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Library. The Library is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Library. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash and Investments

1. We recalculated the December 31, 2016 and December 31, 2015 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2015 beginning fund balances recorded in the ledgers to the December 31, 2014 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2016 beginning fund balances recorded in the ledgers to the December 31, 2015 balances in the ledgers. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2016 and 2015 fund cash balances reported in the ledgers. The amounts agreed.
4. We confirmed the December 31, 2016 bank account balances with the Library's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2016 bank reconciliation without exception.

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2016 bank reconciliation:
 - a. We traced each debit to the subsequent January and February bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. There were no exceptions.
6. We selected five reconciling credits (such as deposits in transit) haphazardly from the December 31, 2016 bank reconciliation:
 - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
 - b. We agreed the credit amounts to the Receipts Register. Each credit was recorded as a December receipt for the same amount recorded in the reconciliation.
7. We inspected investments held at December 31, 2016 and December 31, 2015 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

Public Library Fund Receipts

We haphazardly selected two Public Library Fund (PLF) receipts from the Henry County Expenditures Ledger from 2016 and two from 2015.

- a. We compared the amount from the Henry County Expenditures Ledger to the amount recorded in the General Ledger. The amounts agreed.
- b. We inspected the General Ledger and observed these receipts were posted to the General Fund. We found no exceptions.
- c. We inspected the Receipt Register Report and observed the receipts were recorded in the proper year. We found no exceptions.
- d. We inspected the General Ledger to determine whether it included one PLF receipt per month for 2016 and 2015. We found no exceptions.

Property Taxes and Intergovernmental Receipts

1. We selected two property tax receipts from the *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2016. There were no receipts in 2015:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the General Ledger. The amounts agreed.
 - b. We inspected the General Ledger to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the General Ledger to determine whether it included two real estate tax receipts for 2016. The General Ledger included the proper number of tax receipts.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2014.
2. We inquired of management, and inspected the General Ledger for evidence of debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. We noted no new debt issuances, nor any debt payment activity during 2016 or 2015.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2016 and one payroll check for five employees from 2015 from the Payroll Summary Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Summary Report to supporting documentation (timecard, legislatively approved rate or salary). We found no exceptions.
 - b. We inspected the fund and account code to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the minute record. We also confirmed the payment was posted to the proper year. We found no exceptions.

2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2016 to confirm whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2016. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare	January 31, 2017	December 31, 2016	\$547.80	\$547.80
State income taxes	January 31, 2017	December 31, 2016	304.33	304.33
Local income taxes	January 15, 2017	December 31, 2016	185.20	185.20
School district taxes	January 31, 2017	December 31, 2016	304.34	304.34
OPERS retirement	January 30, 2017	December 31, 2016	1,454.94	1,454.94

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the General Ledger for the year ended December 31, 2016 and ten from the year ended December 31, 2015 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the General Ledger and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

2. We inspected the General Ledger for the year ended December 31, 2016 and determined that the proceeds from the levy passed under Ohio Rev. Code Section 5705.23, were used for the purpose stated in the resolution.

Compliance – Budgetary

1. We compared total appropriations required by Ohio Admin. Code Section 117-8-02, to the amounts recorded in the accounting system for 2016 and 2015 for the General Fund, the Library's only fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the accounting system.

2. Ohio Admin. Code Section 117-8-02 prohibits spending in excess of budgeted amounts. We compared total expenditures to total appropriations for the years ended December 31, 2016 and 2015, for the General Fund, the Library's only fund, as recorded in the accounting system. We observed no funds for which expenditures exceeded appropriations.

Other Compliance

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, in addition to filing extensions granted for extenuating circumstances, allow for refiling complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed up on procedure engagements, subsequent to the Library's deadline where the initial filing was filed on time but incomplete. Financial information was filed on May 22, 2017 which was not within the allotted timeframe. We recommend the Library file within 60 days as required.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination, or review, the objective of which would be the expression of an opinion or conclusion, respectively on the Library's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is for the use of the Library to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2016 and 2015, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Dave Yost
Auditor of State

Columbus, Ohio

August 11, 2017



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HOLGATE COMMUNITY LIBRARY

HENRY 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 5, 2017