



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Montpelier Public Library  
Williams County  
216 East Main Street,  
Montpelier, Ohio 43543-1199

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Montpelier Public Library, Williams 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 Monthly Financial Statement of Fiscal Officer to Board of Library Trustees to the December 31, 2014 balances in the prior year audited statements. We noted the January 1, 2015 General and Gary Starr fund balances were \$460,596 and \$61,378, respectively, as compared to the December 31, 2014 balances of \$521,974 and \$0, respectively. The difference of \$61,378 was a result of the Library moving monies to establish the Gary Starr fund through an opening balance restatement instead of the transferring of funds. We recommend the Library authorize and record transfers to establish a new fund rather than recording it as a fund balance adjustment. We also agreed the January 1, 2016 beginning fund balances to the December 31, 2015 balances in the Monthly Financial Statement of Fiscal Officer to Board of Library Trustees. 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 Monthly Financial Statement of Fiscal Officer to Board of Library Trustees. 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 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 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 County Check History Register from 2016 and two from 2015.

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

### **Debt**

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2014.
2. We inquired of management, and inspected the Receipts Ledger and Appropriation 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.

3.

### **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 Reports 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 recomputed gross and net pay and agreed it to the amount recorded in the Payroll Summary Report. We found no exceptions.
  - c. We inspected the fund and account codes to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employees' personnel file and minute record. We also confirmed the payment was posted to the proper year. We found no exceptions.

2. For any new employees selected in step 1 we inspected the employees' personnel files and minute record for the following information and compared it with the information used to compute gross and net pay related to this check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Departments and funds to which the check should be charged
  - d. Retirement system participation and payroll withholding
  - e. Federal, State and Local income tax withholding authorization and withholding
  - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above.

3. 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:

| <b>Withholding<br/>(plus employer share,<br/>where applicable)</b>                                    | <b>Date<br/>Due</b> | <b>Date<br/>Paid</b> | <b>Amount<br/>Due</b> | <b>Amount<br/>Paid</b> |
|---|---------------------|----------------------|-----------------------|------------------------|
| Federal income taxes and Medicare (and social security, for employees not enrolled in pension system) | January 31, 2017    | December 30, 2016    | \$1,860               | \$1,860                |
| State income taxes  | January 31, 2017    | December 30, 2016    | 794                   | 794                    |
| School district income Taxes  | January 31, 2016    | December 30, 2016    | 446                   | 446                    |
| Local income tax  | January 15, 2017    | January 13, 2016     | 658                   | 658                    |
| OPERS retirement  | January 30, 2017    | December 30, 2016    | 2,825                 | 2,825                  |

### **Non-Payroll Cash Disbursements**

1. From the Cash Journals, we re-footed checks recorded as General Fund *salaries*, and checks recorded as *purchased and contractual services* in the General fund for 2016. We found no exceptions.
2. We haphazardly selected ten disbursements from the Cash Journal Reports 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 Cash Journal Reports 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.

### **Compliance – Budgetary**

1. We compared total appropriations required by Ohio Admin. Code Section 117-8-02, to the amounts recorded in the Fund Detail Report for 2016 and 2015 for the following funds: General,

Gary Starr, and the Elizabeth Stinson Pratt-Johnson. The amounts on the appropriation resolutions agreed to the amounts recorded in the Fund Detail report.

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, Gary Star, and Estate of E. Pratt-Johnson fund, as recorded in the Fund Detail Report. We observed that 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. We confirmed the Library filed their complete financial statements as defined by AOS Bulletin 2016-007 within the allotted timeframe for the years ended December 31, 2016 and 2015. There were no exceptions.

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

June 28, 2017



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**MONTPELIER PUBLIC LIBRARY**

**WILLIAMS 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 11, 2017**