

313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

1310 Market Street, Suite 300
Wheeling, WV 26003
304.232.1358



**MOUNT STERLING PUBLIC LIBRARY
MADISON COUNTY
Agreed-Upon Procedures
For the Years Ended December 31, 2016 and 2015**

www.perrycpas.com

...“bringing more to the table”

Tax – Accounting – Audit – Review – Compilation – Agreed Upon Procedure – Consultation – Bookkeeping – Payroll
Litigation Support – Financial Investigations

Members: American Institute of Certified Public Accountants

- Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners •
- Association of Certified Anti - Money Laundering Specialists •



Dave Yost • Auditor of State

Board of Trustees
Mount Sterling Public Library
60 West Columbus St.
Mount Sterling, OH 43143

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Mount Sterling Public Library, Madison County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2015 through December 31, 2016. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Mount Sterling Public Library is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

June 22, 2017

This page intentionally left blank.

MOUNT STERLING PUBLIC LIBRARY
MADISON COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report on Applying Agreed-Upon Procedures.....	1



313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

1310 Market St., Suite 300
Wheeling, WV 26003
304.232.1358

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

May 30, 2017

Mount Sterling Public Library
Madison County
60 West Columbus St.
Mount Sterling, OH 43143

To the Board of Trustees:

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of **Mount Sterling Public Library, Madison County** (the Library) and the Auditor of State, 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 these 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 blow 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 Combined Statement of Receipts, Disbursements and Changes in Fund Balances 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 Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2015 balance in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. 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 Combined Statement of Receipts, Disbursements and Changes in Fund Balances. The amounts agree.

www.perrycpas.com
...*"bringing more to the table"*

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations
Members: American Institute of Certified Public Accountants
* Ohio Society of CPAs * West Virginia Society of CPAs * Association of Certified Fraud Examiners * Association of Certified Anti-Money Laundering Specialists *

Cash and Investments (Continued)

4. We confirmed the December 31, 2016 bank account balances with the Library's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amount 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 Madison County Audit Trail by Vendor from 2016 and two from 2015:

- a. We compared the amounts from the Madison County Audit Trail by Vendor to the amounts recorded in the Revenue Ledger. The amounts agreed.
- b. We inspected the Revenue Ledger and observed these receipts were posted to the General Fund. We found no exceptions.
- c. We inspected the Revenue Ledger and observed the receipts were recorded in the proper year. We found no exceptions.
- d. We inspected the Revenue Ledger to determine whether it included one PLF receipt per month for 2016 and 2015. We found no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We haphazardly selected five receipts from the Madison County Audit Trail by Vendor from 2016 and five from 2015.
 - a. We compared the amount from the above report to the amount recorded in the Revenue Ledger. The amounts agreed.
 - b. We inspected the Revenue Ledger to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - c. We inspected the Revenue Ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.

Over-The-Counter Cash Receipts

We haphazardly selected ten over-the-counter cash receipts from the year ended December 31, 2016 and ten over-the-counter cash receipts from the year ended 2015 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount agreed to the amount recorded in the Revenue Ledger. The amounts agreed.
- b. Inspected the Revenue Ledger to determine the receipt was posted to the proper fund, and was recorded in the proper year. 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 scanned the Revenue 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.

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 Wage Detail Reports and:
 - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. 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 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 the 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 noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2017	January 4, 2017	\$ 1,035.66	\$ 1,035.66
State income taxes	January 17, 2017	January 5, 2017	\$ 170.25	\$ 170.25
OPERS retirement	January 30, 2017	January 5, 2017	\$ 2,494.59	\$ 2,494.59
City of Washington taxes	January 17, 2017	December 31, 2016	\$ 191.94	\$ 191.94
RITA taxes	January 31, 2017	December 31, 2016	\$ 376.43	\$ 376.43

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2016 and ten from the year ended 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 Payment Register Detail Report 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 Appropriation Status Report for 2016 and 2015 for the following funds: General Fund and Capital Projects Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status Report except for the General Fund and Capital Projects Fund during 2016 and the Capital Projects Fund during 2015. The Appropriation Status Report recorded appropriations for the General Fund of \$275,969 in 2016 and \$263,156 in 2015. However, the appropriation resolution reflected \$263,543 in 2016 and \$265,737 in 2015. The Appropriation Status Report recorded appropriations for the Capital Projects Fund of \$1,327 in 2016. However, the appropriations resolution reflected \$0. The fiscal officer should periodically compare amounts recorded in the Appropriation Status Report to amounts recorded on the appropriation resolution to assure they agree. If the amounts do not agree, the Trustees may be using inaccurate information for budgeting and monitoring purposes.
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 and Capital Projects Fund, as recorded in the Appropriation Status Report. We observed that the Capital Projects Fund expenditures for 2016 exceeded total appropriations by \$1,327, contrary to Ohio Admin. Code Section 117-8-02. The Fiscal Officer should deny payment requests exceeding appropriations. The Treasurer may request the Trustees to approved increased expenditure levels by increasing appropriations if necessary and if resources are available.

Other Compliance

1. 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. No exceptions noted.

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 it's 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.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

This page intentionally left blank.



Dave Yost • Auditor of State

MT. STERLING PUBLIC LIBRARY

MADISON 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 6, 2017**