



**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2001 & 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Trustees
Cuyahoga County Public Library
Cuyahoga County
2111 Snow Road
Parma, Ohio 44134

We have audited the accompanying financial statements of the Cuyahoga County Public Library, Cuyahoga County, Ohio, (the Library) as of and for the years ended December 31, 2001 and December 31, 2000. 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 audit 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 combined fund cash balances and reserves for encumbrances of the Cuyahoga County Public Library, Cuyahoga County, Ohio as of December 31, 2001 and December 31, 2000, and its combined 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 May 1, 2002 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.

This report is intended solely for the information and use of management, the 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, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

May 1, 2002

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	
Cash Receipts:				
Property and Other Local Taxes	\$21,355,531			21,355,531
Other Government Grants-In-Aid	27,079,545			27,079,545
Patron Fines and Fees	929,682			929,682
Earnings on Investments	414,761	\$422,318	\$40,162	877,241
Services Provided to Other Entities	5,701			5,701
Contributions, Gifts and Donations	12,988		67,503	80,491
Miscellaneous Receipts	131,069		21,828	152,897
Total Cash Receipts	<u>49,929,277</u>	<u>422,318</u>	<u>129,493</u>	<u>50,481,088</u>
Cash Disbursements:				
Current:				
Salaries and Benefits	30,579,788			30,579,788
Supplies	1,105,088		17,323	1,122,411
Purchased and Contracted Services	8,419,374	25,550	5,418	8,450,342
Library Materials and Information	9,225,898		14,229	9,240,127
Other Objects	47,954		2,342	50,296
Capital Outlay	1,598,543	920,418	29,421	2,548,382
Total Cash Disbursements	<u>50,976,645</u>	<u>945,968</u>	<u>68,733</u>	<u>51,991,346</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(1,047,368)</u>	<u>(523,650)</u>	<u>60,760</u>	<u>(1,510,258)</u>
Other Financing Receipts/(Disbursements):				
Proceeds from Sales of Property	3,033			3,033
Transfers-In			8,607	8,607
Transfers-Out				0
Total Other Financing Receipts/(Disbursements)	<u>3,033</u>	<u>0</u>	<u>8,607</u>	<u>11,640</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>(1,044,335)</u>	<u>(523,650)</u>	<u>69,367</u>	<u>(1,498,618)</u>
Fund Cash Balances, January 1	<u>7,828,940</u>	<u>7,955,077</u>	<u>1,072,617</u>	<u>16,856,634</u>
Fund Cash Balances, December 31	<u>\$6,784,605</u>	<u>\$7,431,427</u>	<u>\$1,141,984</u>	<u>\$15,358,016</u>
Reserves for Encumbrances, December 31	<u>\$5,072,923</u>	<u>\$857,585</u>	<u>\$15,503</u>	<u>\$5,946,011</u>

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

CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001

	Fiduciary Fund Types		Totals (Memorandum Only)
	Nonexpendable Trust	Agency	
Operating Cash Receipts:			
Patron Fees and Fines		\$0	\$0
Earnings on Investments	\$2,899		\$2,899
Total Operating Cash Receipts	2,899	0	2,899
Operating Cash Disbursements:			
Current:			
Library Materials and Information	4,726		4,726
Other Objects			0
Total Operating Cash Disbursements	4,726	0	4,726
Operating Income/(Loss)	(1,827)	0	(1,827)
Non-Operating Cash Receipts:			
Other Non-Operating Receipts			0
Total Non-Operating Cash Receipts	0	0	0
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	(1,827)	0	(1,827)
Transfers-Out		(8,607)	(8,607)
Net Receipts Over/(Under) Disbursements	(1,827)	(8,607)	(10,434)
Fund Cash Balances, January 1	72,005	8,607	80,612
Fund Cash Balances, December 31	\$70,178	\$0	\$70,178
Reserves for Encumbrances, December 31	\$487	\$0	\$487

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

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Governmental Fund Types			Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Expendable Trust	
Cash Receipts:					
Property and Other Local Taxes	\$21,207,261	\$0			\$21,207,261
Other Government Grants-In-Aid	27,134,944				27,134,944
Patron Fines and Fees	913,917				913,917
Earnings on Investments	600,271		\$394,591	\$58,565	1,053,427
Services Provided to Other Entities	5,901				5,901
Contributions, Gifts and Donations	9,301			80,103	89,404
Miscellaneous Receipts	48,982			16,651	65,633
Total Cash Receipts	<u>49,920,577</u>	<u>0</u>	<u>394,591</u>	<u>155,319</u>	<u>50,470,487</u>
Cash Disbursements:					
Current:					
Salaries and Benefits	29,114,636				29,114,636
Supplies	1,117,657			4,759	1,122,416
Purchased and Contracted Services	7,398,509			29,294	7,427,803
Library Materials and Info	7,885,407			18,011	7,903,418
Other Objects	53,443	205		14,877	68,525
Capital Outlay	1,511,332		621,080	60,282	2,192,694
Total Cash Disbursements	<u>47,080,984</u>	<u>205</u>	<u>621,080</u>	<u>127,223</u>	<u>47,829,492</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>2,839,593</u>	<u>(205)</u>	<u>(226,489)</u>	<u>28,096</u>	<u>2,640,995</u>
Other Financing Receipts/(Disbursements):					
Proceeds from Sales of Property	4,761				4,761
Transfers-In			1,555,722		1,555,722
Transfers-Out	(1,555,722)				(1,555,722)
Total Other Financing Receipts/(Disbursements)	<u>(1,550,961)</u>	<u>0</u>	<u>1,555,722</u>	<u>0</u>	<u>4,761</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	1,288,632	(205)	1,329,233	28,096	2,645,756
Fund Cash Balances, January 1	6,540,308	205	6,625,844	1,044,521	14,210,878
Fund Cash Balances, December 31	<u>\$7,828,940</u>	<u>\$0</u>	<u>\$7,955,077</u>	<u>\$1,072,617</u>	<u>\$16,856,634</u>
Reserves for Encumbrances, December 31	<u>\$6,027,009</u>	<u>\$0</u>	<u>\$911,537</u>	<u>\$19,369</u>	<u>\$6,957,915</u>

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

CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000

	Fiduciary Fund Types		Totals (Memorandum Only)
	Nonexpendable Trust	Agency	
Operating Cash Receipts:			
Earnings on Investments	\$4,453	\$0	\$4,453
Contributions, Gifts and Donations			0
Total Operating Cash Receipts	4,453	0	4,453
Operating Cash Disbursements:			
Current:			
Library Materials and Information	2,787		2,787
Other Objects			0
Total Operating Cash Disbursements	2,787	0	2,787
Operating Income/(Loss)	1,666	0	1,666
Excess of Receipts Over/(Under) Disbursements Before Interfund Transfers and Advances	1,666	0	1,666
Transfers-In			0
Net Receipts Over/(Under) Disbursements	1,666	0	1,666
Fund Cash Balances, January 1	70,339	8,607	78,946
Fund Cash Balances, December 31	\$72,005	\$8,607	\$80,612
Reserves for Encumbrances, December 31	\$2,498	\$0	\$2,498

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

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Cuyahoga County Public Library, Cuyahoga County, Ohio, (the Library) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Library is directed by a seven-member Board of Trustees appointed by the County Commissioners and the Common Pleas Judges. 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.

Component units are legally separate organizations for which the Library is financially accountable. Component units may also include organizations that are fiscally dependent on the Library in that the Library approves their budget, the issuance of their debt or the levying of their taxes. The Library has no component units.

The following entities which perform activities within the Library's boundaries for the benefit of its residents are excluded from the accompanying financial statements because the Library is not financially accountable for these entities nor are they fiscally dependent on the Library.

Each Library has a Friends of the Library organization. The Friends organizations were developed through community members who support the Library through membership fees and fund-raising activities. The Library exercised no financial control over these organizations. The Friends Treasurer's Report can be obtained through each organization's Treasurer. Financial information for each Friends organization is listed below:

Branch	Tax Exempt (Yes of No)	Total Donations to Library 2000 and 2001 (Unaudited)	Total Assets 12-31-01 (Unaudited)
Bay Village	Yes	\$5,600	\$33,023
Beachwood	Yes	\$16,705	\$45,667
Berea	No	\$5,565	\$1,155
Brecksville	Yes	\$12,722	\$24,807
Brookpark	Yes	\$5,462	\$7,695
Brooklyn	Yes	\$6,860	\$6,413
Chagrin Falls	Yes	\$9,000	\$43,250
Fairview Park	Yes	\$15,476	\$38,803
Garfield Heights	Yes	\$5,986	\$2,903

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Description of the Entity (Continued)

Gates Mills	Yes	\$9,790	\$152,957
Independence	Yes	\$5,069	\$11,537
Maple Heights	Yes	\$17,805	\$24,627
Mayfield	Yes	\$34,594	\$46,535
Middleburg Hts.	Yes	\$0	\$4,176
North Olmsted	No	\$2,310	\$8,387
North Royalton	No	\$8,830	\$8,027
Olmsted Falls	Yes	\$6,424	\$4,240
Orange	Yes	\$55,676	\$27,889
Parma Heights	Yes	\$7,134	\$9,690
Parma	Yes	\$17,178	\$38,733
Solon	Yes	\$13,488	\$17,752
S. Euclid-Lyndhurst	No	\$26,226	\$1,672
Southeast	No	\$250	\$4,970
Strongsville	Yes	\$6,519	\$15,094
Warrensville Hts.	Yes	\$4,184	\$2,821

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. 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 prescribed or permitted by the Auditor of State.

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Cash and Investments

Investments are included in fund cash balances. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Federal securities are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

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 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. Special Revenue Fund

This fund is used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Library had the following significant Special Revenue Fund:

Ohio Humanities Grant - used to account for the receipt and disbursement of funds for programs presented in various libraries within the system.

3. Capital Projects Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Library had the following significant Capital Projects Fund:

Capital Fund - used to account for financial resources to be used for the acquisition of furniture and equipment.

4. Fiduciary Funds (Trust and Agency Funds)

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Library to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. Funds for which the Library is acting in an agency capacity are classified as agency funds. The Library had the following significant fiduciary funds:

Expendable Trust Fund (Branch Regular/Special) - This fund is used to account for financial resources to be used for the acquisition of furniture and equipment from donations.

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Fiduciary Funds (Trust and Agency Funds) (Continued)

Non-expendable Trust Endowment Fund - This fund is used to account for bequests granted to the Library in which only the interest earnings can be expended.

Agency Fund - This fund is used to account for employee book purchases and was ultimately dissolved in 2001.

E. Budgetary Process

The Ohio Administrative Code requires budgeting for each fund annually.

1. Appropriations

The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end. Budgetary expenditures (that is, disbursements and encumbrances in 2000, and disbursements for 2001) may not exceed appropriations at the fund, function, and object level of control.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1.

3. Encumbrances

The Ohio Administrative Code requires the Library to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

Effective January 1, 2001, the Ohio Administrative Code amended library budgetary requirements. Libraries are no longer required to estimate resources or encumber appropriations.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the basis of accounting the Library uses.

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Total Columns

Total columns on the financial statements are captioned "(Memorandum Only)" to indicate that they are presented to facilitate financial analysis. Such data is not comparable to a consolidation.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2001	2000
Demand deposits	\$1,156,717	\$313,726
Federal Home Loan Bank	2,994,200	3,980,200
Federal National Mortgage Association	4,030,000	970,253
Federal Farm Credit Bank	1,000,000	0
STAR Ohio	6,247,277	11,673,067
Total deposits and investments	\$15,428,194	\$16,937,246

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity deposit pool.

Investments: Federal securities are held in book-entry form by the Federal Reserve, in the name of the Library's financial institution. The financial institution maintains records identifying the Library as owner of these securities. Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2001 and December 31, 2000 follows:

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$51,928,572	\$50,976,645	\$951,927
Capital Projects	1,610,000	945,968	664,032
Expendable Trust	227,400	68,733	158,667
Non-Expendable Trust	6,000	4,726	1,274
Agency	8,607	8,607	0
Total	53,780,579	52,004,679	1,775,900

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$49,482,302	\$49,925,338	\$443,036
Capital Projects	1,906,222	1,950,313	44,091
Expendable Trust	154,600	155,319	719
Non-Expendable Trust	4,400	4,453	53
Agency	0	0	0
Total	<u>\$51,547,524</u>	<u>\$52,035,423</u>	<u>\$487,899</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$56,022,611	\$54,663,715	\$1,358,896
Special Revenue	205	205	0
Capital Projects	2,347,262	1,532,617	814,645
Expendable Trust	245,147	146,592	98,555
Non-Expendable Trust	5,802	5,285	517
Agency	8,607	0	8,607
Total	<u>\$58,629,634</u>	<u>\$56,348,414</u>	<u>\$2,281,220</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 LLGSF is allocated 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. These revenues are reflected in the accompanying financial statements as Other Government Grants-In-Aid.

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the taxing authority of the subdivision to whose jurisdiction the Library is subject. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Other Governments Grants-In-Aid. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

**CUYAHOGA COUNTY PUBLIC LIBRARY
CUYAHOGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

4. GRANTS-IN-AID AND TAX RECEIPTS (Continued)

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

Tangible personal property tax is assessed by the property owners, who must file a list of such 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 SYSTEM

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The Library contributed an amount equal to 13.55% of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced the employer contribution rate to 8.13% effective July 1, 2000 through December 31, 2000. The Library has paid all contributions required through December 31, 2001.

6. RISK MANAGEMENT

Commercial Insurance

The Cuyahoga Count Public Library has obtained commercial insurance for the following risks:

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

The Library also provides health insurance to employees through a private carrier. Dental coverage is also provided.

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**STATE OF OHIO
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

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

Board of Trustees
Cuyahoga County Public Library
Cuyahoga County
2111 Snow Road
Parma, Ohio 44134

We have audited the accompanying financial statements of the Cuyahoga County Public Library, Cuyahoga County, Ohio, (the Library) as of and for the years ended December 31, 2001 and December 31, 2000, and have issued our report thereon dated May 1, 2002. 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 May 1, 2002.

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 May 1, 2002.

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This report is intended solely for the information and use of 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, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

May 1, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CUYAHOGA COUNTY PUBLIC LIBRARY

CUYAHOGA 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 13, 2002**