



**LAW LIBRARY ASSOCIATION
AUGLAIZE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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REPORT OF INDEPENDENT ACCOUNTANTS

Law Library Association
Auglaize County
201 South Willipie Street
Wapakoneta, Ohio 45895

To the Board of Trustees:

We have audited the accompanying financial statements of the Law Library Association, Auglaize County, (the Library) as of and for the years ended December 31, 1999 and December 31, 1998. 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 generally accepted auditing standards 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 audit provides a reasonable basis for our opinion.

As described 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 fund cash balance and reserves for encumbrances of the Law Library Association, Auglaize County, as of December 31, 1999 and December 31, 1998, and its 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 March 24, 2000 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.

This report is intended solely for the information and use of the management, 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.

JIM PETRO
Auditor of State

March 24, 2000

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1999**

	GOVERNMENTAL FUND TYPE
	GENERAL
Cash Receipts:	
Fines & Forfeitures	\$106,053
All Other Receipts	786
Total Cash Receipts	106,839
Cash Disbursements:	
Publications/Supplies	96,272
Contracted Services	1,809
Total Cash Disbursements	98,081
Total Cash Receipts Over/(Under) Cash Disbursements	8,758
Fund Cash Balance, January 1	37
Fund Cash Balance, December 31	\$8,795
Reserves for Encumbrances, December 31	\$5,664

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1998**

	GOVERNMENTAL FUND TYPE
	GENERAL
Cash Receipts:	
Fines & Forfeitures	\$99,395
All Other Receipts	1,698
Total Cash Receipts	101,093
Cash Disbursements:	
Publications/Supplies	99,237
Contracted Services	2,598
Total Cash Disbursements	101,835
Total Cash Receipts Over/(Under) Cash Disbursements	(742)
Fund Cash Balance, January 1	779
Fund Cash Balance, December 31	\$37
Reserves for Encumbrances, December 31	\$0

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

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Law Library Association of Auglaize County, (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 an appointed five member Board of Trustees . The treasurer is responsible for fiscal control over the resources of the Library which are maintained in the fund described below. The Board of Trustees have contracted with the Auglaize County Auditor to perform the function of fiscal control. Services provided by the Library include the purchase and maintenance of legal publications and materials for the judicial actions executed by the County.

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

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.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Fund Accounting

The Library uses fund accounting and classifies its fund as follows:

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.

D. Pooled Cash and Investments

To improve cash management, all cash received by the Library is deposited with the County Treasurer and pooled in a central bank account. Monies are maintained in this account or temporarily used to purchase interim investments.

E. Budgetary Process

The Library prepares an annual budget. A summary of 1999 and 1998 budgetary activity appears in Note 4.

F. Property, Plant and Equipment

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

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

2. EQUITY IN POOLED CASH AND INVESTMENTS

The County Treasurer maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The amount of cash and investments held by the County Treasury for the Law Library at December 31 was as follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	<u>\$8,795</u>	<u>\$37</u>

3. REVENUE

The Law Library's major source of revenue is based on a percentage of all fines charged by the various courts of the County.

4. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999 and 1998 follows:

1999 Projected vs. Actual Receipts		
Projected Receipts	Actual Receipts	Variance
<u>\$106,900</u>	<u>\$106,839</u>	<u>(\$61)</u>

1999 Projected vs. Actual Expenditures		
Projected Expenditures	Actual Expenditures	Variance
<u>\$106,936</u>	<u>\$103,745</u>	<u>\$3,191</u>

1998 Projected vs. Actual Receipts		
Projected Receipts	Actual Receipts	Variance
<u>\$101,092</u>	<u>\$101,093</u>	<u>\$1</u>

1998 Projected vs. Actual Expenditures		
Appropriation Authority	Budgetary Expenditures	Variance
<u>\$101,870</u>	<u>\$101,835</u>	<u>\$35</u>

5. RISK MANAGEMENT

The Library has obtained commercial insurance for comprehensive property and general liability in amount of \$600,000. Real property is insured through the Auglaize County Commissioners.



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

Law Library Association
Auglaize County
201 South Willipie Street
Wapakoneta, Ohio 45895

To the Board of Trustees:

We have audited the accompanying financial statements of the Law Library Association, Auglaize County, (the Library), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated March 24, 2000. We conducted our audit in accordance with generally accepted auditing standards 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 audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 1999-60206-001. We also noted an immaterial instance of noncompliance that we have reported to management of the Library in a separate letter dated March 24, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, 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 a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Library in a separate letter dated March 24, 2000.

This report is intended for the information and use of the management and Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

JIM PETRO
Auditor of State

March 24, 2000

**SCHEDULE OF FINDINGS
DECEMBER 31, 1999**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 1999-60206-001

Ohio Revised Code Section 3375.56, states that the Trustees of the Law Library shall present a detailed report to the County Auditor of the amount of fines and penalties received under Sections 3375.50 through 3375.53, Revised Code, inclusive, and the money expended, by the first Monday of the year.

Also, if the total amount received under such sections during the preceding calendar year exceeds expenditures during the same time period, the auditor shall certify such fact to the board which shall direct the treasurer of the association to refund proportionately to the political subdivisions from which the balance was received , not less than ninety percent of any unencumbered balance on hand from the preceding year.

The Law Library Association did not prepare or file the required report for the fiscal year ending 1999 and filed the report late for 1998.

The Law Library Association received fine revenue that exceeded expenditures for fiscal year 1999 which should have been returned to the Municipal Court, Juvenile Court and Common Pleas Court in the amount of \$2,036 , \$21 and \$21, respectively. The Law Library Association did not make these refunds.

This could result in expenditures of revenues that are not legally entitled to be expended.



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LAW LIBRARY ASSOCIATION

AUGLAIZE 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
MAY 4, 2000**