



**BUTLER COUNTY LAW LIBRARY ASSOCIATION  
BUTLER COUNTY  
REGULAR AUDIT  
FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**BUTLER COUNTY LAW LIBRARY ASSOCIATION  
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**REPORT OF INDEPENDENT ACCOUNTANTS**

Butler County Law Library Association  
Butler County  
10 Journal Square, Suite 200  
Hamilton, Ohio 45011

To the Board of Trustees:

We have audited the accompanying financial statements of the Butler County Law Library Association, Butler County, Ohio (the Law Library), as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Law 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 discussed in Note 1, the Law 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 balances of the Law Library as of December 31, 1999 and 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 August 9, 2000, on our consideration of the Law 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 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".

**Jim Petro**  
Auditor of State

August 9, 2000

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**BUTLER COUNTY LAW LIBRARY ASSOCIATION  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE - STATUTORY GENERAL FUND -  
FOR THE YEAR ENDED DECEMBER 31, 1999**

**Cash Receipts:**

Butler County Auditor	\$634,859
Butler County Clerk of Court	1,250
Butler County Juvenile Court	1,250
Middletown Municipal Court	12,371
Hamilton Municipal Court	11,274
Fairfield Municipal Court	5,032
Interest	<u>3,558</u>
 Total Cash Receipts	 <u>669,594</u>

**Cash Disbursements:**

Publications	483,057
Wages and Social Security	40,402
Equipment	41,652
Accounting	745
Bindery	2,327
Cataloging	4,202
Continuing Education	2,339
Insurance	3,446
Equipment and Network Maintenance	10,645
Postage	1,423
Printing	1,317
Supplies	5,019
Miscellaneous	2,498
Refund	5,882
Bank Charges	<u>462</u>
 Total Disbursements	 <u>605,416</u>

Excess of Cash Receipts Over/(Under) Cash Disbursements	 <u>64,178</u>
 Fund Cash Balance, January 1	 <u>5,882</u>
 <b>Fund Cash Balance, December 31</b>	 <b><u><u>\$70,060</u></u></b>

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

**BUTLER COUNTY LAW LIBRARY ASSOCIATION  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE - STATUTORY GENERAL FUND -  
FOR THE YEAR ENDED DECEMBER 31, 1998**

**Cash Receipts:**

Butler County Auditor	\$472,304
Butler County Clerk of Court	1,200
Butler County Juvenile Court	1,250
Middletown Municipal Court	12,104
Hamilton Municipal Court	10,033
Fairfield Municipal Court	4,821
Interest	<u>2,388</u>
 Total Cash Receipts	 <u>504,100</u>

**Cash Disbursements:**

Publications	417,028
Wages and Social Security	35,439
Equipment	49,062
Accounting	3,792
Bindery	2,287
Cataloging	8,442
Continuing Education	1,653
Insurance	3,993
Equipment and Network Maintenance	5,287
Postage	1,075
Printing	1,456
Supplies	3,432
Bank Charges	<u>271</u>
 Total Disbursements	 <u>533,217</u>

Excess of Cash Receipts Over/(Under) Cash Disbursements	 <u>(29,117)</u>
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Fund Cash Balance, January 1	<u>34,999</u>
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<b>Fund Cash Balance, December 31</b>	<b><u><u>\$5,882</u></u></b>
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*The notes to the financial statements are an integral part of this statement.*



**BUTLER COUNTY LAW LIBRARY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Butler County Law Library Association, Butler County, Ohio (the Law 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 Law Library is directed by an eighteen-member Board of Trustees. Nine members are elected by the majority of the voting members of the Butler County Bar Association.

The Law Library provides a legal reference collection to meet the information needs of Butler County practitioners, judges and county officials.

Management believes the financial statements included in this report represent all of the funds of the Law Library over which they have the ability to exercise direct operating control.

**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. Cash and Deposits**

The Law Library maintains an interest bearing checking account for all of its deposits at Firststar Bank.

**D. Fund Accounting**

The Law Library uses fund accounting to account for revenues and expenditures of public funds. The Law Library's public funds are accounted for in the General Fund. The General Fund is the general operating fund which is used to account for all financial resources. The Law Library has no financial resources required by law or contract to be restricted.

**E. Budgetary Process**

The Law Library is not subject to Ohio budgetary law, as it is not a taxing subdivision.

**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.

**G. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Law Library.

**BUTLER COUNTY LAW LIBRARY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

**2. EQUITY IN POOLED CASH AND DEPOSITS**

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash deposits at December 31 was as follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	<u>\$70,060</u>	<u>\$5,882</u>

Deposits are insured by the Federal Depository Insurance Corporation.

**3. RETIREMENT SYSTEMS**

The Law Library Director and the Assistant Law Librarian are employed by the County and are members of PERS. Contribution rates are prescribed by the Ohio Revised Code. For 1998 and 1999 members of PERS contributed 8.5% of their gross salaries. The County contributed an amount equal to 13.55% of participants' gross salaries. All other employees of the Law Library contribute to Social Security. For 1998 and 1999, members of Social Security contributed 7.65% of their gross salaries. The Law Library contributed an amount equal to 7.65% of their gross salaries.

**4. RISK MANAGEMENT**

The Law Library has obtained the following insurance through the Cincinnati Insurance Company and Ohio Casualty Insurance Company:

- Directors and Officers Liability
- Employee Dishonesty Bond
- General Liability
- Valuable Papers and Records
- Contents (Equipment)



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

Butler County Law Library Association  
Butler County  
10 Journal Square, Suite 200  
Hamilton, Ohio 45011

To the Board of Trustees:

We have audited the accompanying financial statements of the Butler County Law Library Association, Butler County, Ohio (the Law Library), as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated August 9, 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 Law 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 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Law 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.

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

**Jim Petro**  
Auditor of State

August 9, 2000





STATE OF OHIO  
OFFICE OF THE AUDITOR

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**BUTLER COUNTY LAW LIBRARY ASSOCIATION**

**BUTLER 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, 2000**