



**PORTAGE LAW LIBRARY ASSOCIATION
PORTAGE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – General Fund For the Year Ended December 31, 1999	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – General Fund For the Year Ended December 31, 1998	4
Notes to the Financial Statements	5
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	9

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West, Suite 302
Youngstown, Ohio 44503

Telephone 330-797-9900
800-443-9271

Facsimile 330-797-9949

REPORT OF INDEPENDENT ACCOUNTANTS

Portage Law Library Association
Portage County
241 South Chestnut Street
Ravenna, Ohio 44266

To the Board of Trustees:

We have audited the accompanying financial statements of the Portage Law Library Association, Portage County, Ohio, (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 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 of the Library as of December 31, 1999 and December 31, 1998, 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 June 13, 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.

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro
Auditor of State

June 13, 2000

**PORTAGE LAW LIBRARY ASSOCIATION
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

	General
Cash Receipts:	
Fines and Forfeitures	\$2,876
Intergovernmental Receipts	375,384
Interest	356
Other Receipts	1,313
Total Cash Receipts	379,929
Cash Disbursements:	
General Government	379,974
Total Cash Disbursements	379,974
Total Cash Receipts Over/(Under) Cash Disbursements	(45)
Fund Cash Balances, January 1	16
Fund Cash Balances, December 31	(\$29)

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

**PORTAGE LAW LIBRARY ASSOCIATION
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1998**

	General
Cash Receipts:	
Fines and Forfeitures	\$2,382
Intergovernmental Receipts	452,354
Interest	388
Other Receipts	536
Total Cash Receipts	455,660
Cash Disbursements:	
General Government	456,417
Total Cash Disbursements	456,417
Total Cash Receipts Over/(Under) Cash Disbursements	(757)
 Fund Cash Balances, January 1	 773
Fund Cash Balances, December 31	\$16

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Portage Law Library Association, Portage 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 Portage County Law Library is directed by a board of six trustees appointed annually by members of the Portage County Bar Association. The board of trustees appoints a person to act as librarian and not more than two additional persons to act as the assistant law librarians.

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

The Portage Law Library Association almost in whole, is funded through the fine and forfeiture monies received by the courts under Ohio Rev. Code Sections 3375.50 through 3375.53, inclusive.

The Portage County Commissioners are required to provide adequate facilities for a county law library by Revised Code Section 3375.49. The Board of County Commissioners provides to the county law library association suitable bookcases, heating and lighting for the rooms. Pursuant to Revised Code Section 3375.48, the compensation of the law librarian is also paid from the county treasury.

Judges of the county court in the county and officers of the townships and municipal corporations therein have the same free use of the books of the law library as the judges and county officers.

The Portage County Law Library is not part of the Portage County reporting entity and is excluded from the Portage County's financial statements. The Library is not fiscally dependent on the County. The County is not financially accountable for the Law Library beyond the duties stated above.

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 Investments

The Secretary/Treasurer is the Fiscal Officer for the Library. The Library owns no investments. The Library's deposits are held in the depository form by Bank One, N.A..

D. Fund Accounting

The Library uses fund accounting to segregate cash and investments that are restricted as to use. The Library classifies its fund into the following type:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources of the Library.

E. Budgetary Process

The Library is not required to budget annually.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as general government 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 Library.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Library maintains a cash and investments 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:

	<u>1999</u>	<u>1998</u>
Demand deposits	(\$29)	\$16
Total deposits	(\$29)	\$16

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by securities specifically pledged by the financial institution to the Library.

The courts collect fine and forfeiture monies on cases and remit the amounts to the County for the Law Library. The County holds onto these monies until the Library requests funds directly from the County Auditor. The Law Library does not draw down all funds available which are collected. The effect is that although a negative fund balance is reported. No actual overdraft existed.

3. DEBT

No debt was outstanding at December 31, 1999, or December 31, 1998.

4. 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. The Library's PERS members contributed 8.5% of their gross salaries. The Library contributed an amount equal to 13.55% of participants' gross salaries. The Library has paid all contributions required through December 31, 1999.

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

5. RISK MANAGEMENT

The Library has obtained commercial insurance for the following risks

- General liability
- Computer Equipment
- Inventory
- Errors and omissions

The County of Portage provides health insurance and dental and vision coverage to full-time employees through a private carrier.

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Voinovich Government Center
242 Federal Plaza West, Suite 302
Youngstown, Ohio 44503
Telephone 330-797-9900
800-443-9271
Facsimile 330-797-9949

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

Portage Law Library Association
Portage County
241 South Chestnut Street
Ravenna, Ohio 44266

To the Board of Trustees:

We have audited the accompanying financial statements of the Portage Law Library Association, Portage County, Ohio (the Library), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated June 13, 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 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 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 June 13, 2000.

This report is intended for the information and use of the audit committee, 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", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

June 13, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

LAW LIBRARY ASSOCIATION

PORTAGE 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
AUGUST 3, 2000