



**Mary Taylor, CPA**  
Auditor of State



BETTSVILLE PUBLIC LIBRARY  
SENECA COUNTY

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Bettsville Public Library  
Seneca County  
233 State Street  
P.O. Box 385  
Bettsville, Ohio 44815-0385

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Bettsville Public Library, Seneca County (the Library) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2009 and 2008, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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*. 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 below 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 tested the mathematical accuracy of the December 31, 2009 and December 31, 2008 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2008 beginning fund balances recorded in the Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances to the December 31, 2007 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2009 and 2008 fund cash balances reported in the Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances. The amounts agreed.
4. We confirmed the December 31, 2009 bank account balances with the Library's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2009 bank reconciliation without exception.

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5. We selected five outstanding checks haphazardly from the December 31, 2009 bank reconciliation:
  - a. We traced each check to the debit appearing in the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and date written to the check register, to determine the checks were dated prior to December 31. We noted no exceptions.
6. We tested investments held at December 31, 2009 and December 31, 2008 to determine that they:
  - a. Were of a type authorized by Ohio Revised Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Revised Code Section 135.13 or 135.14. We noted one certificate of deposit with Key Bank was for 18 months, which is contrary with Ohio Revised Code Section 135.13.

#### **State Library and Local Government Support Receipts**

We selected two State Library and Local Government Support (LLGS) receipts from the Seneca County's Audit Trail Report from 2009 and two from 2008.

- a. We compared the amount from the Seneca County's Audit Trail Report to the amount recorded in the Cash Receipt Report. The amounts agreed.
- b. We determined whether these receipts were posted to the General Fund. We found no exceptions.
- c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
- d. We scanned the Cash Receipt Report to determine whether it included one LLGS receipt per month for 2009 and 2008. We found no exceptions.

#### **Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a property tax receipt from one Statement of Semiannual Apportionment of Taxes (the Statement) for 2009 and one from 2008.
  - a. We traced the gross receipts from the Statement to the amount recorded in the Cash Receipts Report. The amounts agreed.
  - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Cash Receipt Report to determine whether it included the proper number of tax receipts for 2009 and 2008:
  - a. Two personal property tax receipts
  - b. Two real estate tax receiptsWe noted the Cash Receipt Report included the proper number of tax settlement receipts for each year.
3. We selected four receipts from the State Distribution Transaction Lists (DTL) from 2009 and four from 2008 (four in both years is the total population).
  - a. We compared the amount from the DTL to the amount recorded in the Cash Receipt Report. The amounts agreed.

- b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
- c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Debt**

We inquired of management, and scanned the Cash Receipt Report and General Ledger for evidence of bonded or note debt issued during 2009 or 2008 or outstanding as of December 31, 2009 or 2008. We noted no new debt issuances, nor any debt payment activity during 2009 or 2008.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2009 and one payroll check for five employees from 2008 from the Payroll Summary Report and determined whether the following information in the minute record and withholdings file was consistent with the information used to compute gross and net pay related to this check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Departments and fund to which the check should be charged.
  - d. Retirement system participation and payroll withholding.
  - e. Federal, State and Local income tax withholding authorization and withholding.
  - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above, except two of the five employees did not have the State withholding form. However, the payroll summary report did disclose all withholdings for all the employees. We recommend the Library maintain all documentation to support deductions withheld.

2. We tested the checks we selected in step 1, as follows:
  - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
  - c. We determined whether the fund and account codes to which the check was posted was reasonable based on the employees' duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2009 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2009. We noted the following:

<b>Withholding</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Withheld</b>	<b>Amount Paid</b>
Federal income taxes	January 31, 2010	December 31, 2009	\$218.33	\$218.33
State income taxes	January 15, 2010	December 31, 2009	\$71.00	\$71.00
Local income tax	January 30, 2010	December 31, 2009	\$113.23	\$113.23
OPERS retirement (withholding plus employer share)	January 30, 2010	December 31, 2009	\$692.88	\$692.88

### **Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Detail General Ledger for the year ended December 31, 2009 and ten from the year ended 2008 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 Detail General Ledger 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 the spreadsheets maintained by the Library that included budget vs actual amounts for appropriations with no exceptions. Since the Library's accounting system does not integrate budgetary information, we could not compare total appropriations required by Ohio Administrative Code Section 117-8-02 to the amounts recorded in the Detail General Ledger for 2009 and 2008.
2. Ohio Administrative 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, 2009 and 2008 for the General Fund, as recorded in the Detail General Ledger and Appropriation Resolution. We noted no funds for which expenditures exceeded appropriations.

### **Compliance – Contracts and Expenditures**

We inquired of management and scanned the Detail General Ledger report for the years ended December 31, 2009 and 2008 for procurements requiring competitive bidding to construct, demolish, alter, repair, or reconstruct a library or make any improvements or repairs, the cost of which exceeded \$25,000, except in cases of urgent necessity or for the security and protection of library property (Ohio Revised Code Section 3375.41).

We identified no purchases subject to the aforementioned bidding requirements.

**Officials' Response** – We will designate our Key Bank CD as inactive, we will include all necessary withholding forms and we will continue to monitor budget vs actual with our spreadsheet.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Library's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

June 16, 2010





Mary Taylor, CPA  
Auditor of State

**BETTSVILLE PUBLIC LIBRARY**

**SENECA 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 22, 2010**