

**LOUDONVILLE PUBLIC LIBRARY  
ASHLAND COUNTY  
Agreed-Upon Procedures  
For the Years Ended December 31, 2010 and 2009**

***Perry & Associates***  
Certified Public Accountants, A.C.





# Dave Yost • Auditor of State

Board of Directors  
Loudonville Public Library  
122 East Main Street  
Loudonville, Ohio 44842

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Loudonville Public Library, Ashland County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2009 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Loudonville Public Library is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

June 10, 2011

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**LOUDONVILLE PUBLIC LIBRARY  
ASHLAND COUNTY**

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

May 20, 2011

Loudonville Public Library  
Ashland County  
122 East Main Street  
Loudonville, Ohio 44842

To the Fiscal Officer and Board of Trustees:

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the **Loudonville Public Library**, Madison County, Ohio (the Library) and the Auditor of State 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, 2010 and 2009, 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, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning fund balances recorded in the Statement of Cash Position to the December 31, 2008 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, 2010 and 2009 fund cash balances reported in the Statement of Cash Position. The amounts agreed.
4. We confirmed the December 31, 2010 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, 2010 bank reconciliation without exception.
5. We selected five reconciling debits haphazardly from the December 31, 2010 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.

**Cash and Investments (Continued)**

6. We tested interbank account transfers occurring in December of 2010 and 2009 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.
7. We tested investments held at December 31, 2010 and December 31, 2009 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

**State Library and Local Government Support Receipts**

We selected two State Library and Local Government Support (LLGS) receipts from the County Distribution Transaction Lists from 2010 and two from 2009.

- a. We compared the amount from the County Distribution Transaction Lists to the amount recorded in the Receipt Register. 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 Receipt Register to determine whether it included one LLGS receipt per month per county for 2010 and 2009. We found no exceptions.

**Debt**

1. From the prior audit report, we noted the following notes outstanding as of December 31, 2008. These amounts agreed to the Libraries January 1, 2009 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2008:
Lease Purchase Agreement - Construction and Renovation Project	\$ 106,587

2. We inquired of management, and scanned the Receipt Register and Payment Detail Report for evidence of bonded or note debt issued during 2010 or 2009 or debt payment activity during 2010 or 2009. We noted no new debt issuances. All outstanding debt noted agreed to the summary we used in step 3.
3. We obtained a summary of note debt activity for 2010 and 2009 and agreed principal and interest payments from the related debt amortization schedules to the Improvements Special Revenue Fund payments reported in the Payment Detail Report. We also compared the date the debt payments were due to the date the Library made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2010 and one payroll check for five employees from 2009 from the Payroll Register Detail and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Register Detail to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We determined whether the fund and account code 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.

**Payroll Cash Disbursements (Continued)**

2. For any new employees selected in step 1, we determined whether the following information in the employees' personnel files and minute record 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. Department(s) and fund(s) to which the check should be charged.
  - d. Retirement system participation and payroll withholding.
  - e. Federal, State & 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.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2010. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Withheld</b>	<b>Amount Paid</b>
Federal Income Taxes	January 31, 2011	December 31, 2010	\$ 761.69	\$ 761.69
State Income Taxes	January 15, 2011	December 31, 2010	\$ 581.80	\$ 581.80
Local Income Taxes	January 31, 2011	December 31, 2010	\$ 1,242.56	\$ 1,242.56
Ohio School Taxes	January 18, 2011	December 31, 2010	\$ 247.67	\$ 247.67
OPERS Retirement (withholding plus employee share)	January 30, 2011	December 31, 2010	\$ 4,931.53	\$ 4,931.53

4. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Payroll History Detail Report:
  - a. Accumulated leave records
  - b. The employee's pay rate in effect as of the termination date
  - c. The Library's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2010 and ten from the year ended 2009 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 Payment Register Detail Report 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 total appropriations required by Ohio Admin. Code Section 117-8-02, to the amounts recorded in the Appropriation Status Report for 2010 and 2009 for the following funds: General Fund and the Young Book Special Revenue Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Current Year Expense Status Report.



**Compliance – Budgetary (Continued)**

2. Ohio Admin. 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, 2010 and 2009 for the General and Young Book Special Revenue Fund, as recorded in the Current Year Expense Status Report. We noted no funds for which expenditures exceeded appropriations.

**Compliance – Contracts & Expenditures**

1. We inquired of management and scanned the Payment Register Detail report for the years ended December 31, 2010 and 2009 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 Rev. Code Section 3375.41). We identified no purchases subject to the aforementioned bidding requirements.

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, those charged with governance, the Auditor of State, and others within the Library, and is not intended to be, and should not be used by anyone other than these specified parties.

Respectfully Submitted,



**Perry and Associates**  
Certified Public Accountants, A.C.

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# Dave Yost • Auditor of State

LOUDONVILLE PUBLIC LIBRARY

ASHLAND 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 23, 2011