



**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2012-2011



Dave Yost • Auditor of State

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Westerville School District Library
Franklin County
126 South State St.
Westerville, Ohio 43081

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of Westerville School District Library, Franklin County, Ohio (the Library) as of and for the years ended December 31, 2012 and 2011.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Library's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Library's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Library prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03, which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Library as of December 31, 2012 and 2011, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Westerville School District Library, Franklin County, Ohio as of December 31, 2012 and 2011, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permits, described in Note 1.

Emphasis of Matter

As discussed in Note 8 to the financial statements, during 2011 the Westerville School District Library adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2013, 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 grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

December 23, 2013

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>All Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
Cash Receipts:				
Property and Other Local Taxes	\$ 3,980,384	\$ -	\$ -	\$ 3,980,384
Public Library Funds	2,473,391	-	-	2,473,391
Intergovernmental	528,413	7,500	-	535,913
Patron Fines and Fees	245,959	-	-	245,959
Services Provided to Other Entities	33,380	-	-	33,380
Contributions, Gifts and Donations	28,638	-	-	28,638
Earnings on Investments	1,935	-	-	1,935
Miscellaneous	14,940	-	-	14,940
	<u>7,307,040</u>	<u>7,500</u>	<u>-</u>	<u>7,314,540</u>
Cash Disbursements:				
Current:				
Library Services:				
Public Services and Programs	3,353,153	15,072	-	3,368,225
Collection Development and Processing	166,415	-	-	166,415
Support Services:				
Facilities Operation and Maintenance	670,195	-	-	670,195
Information Services	46,291	-	-	46,291
Business Administration	1,358,082	-	-	1,358,082
Capital Outlay	306,103	-	-	306,103
Debt Service:				
Redemption of Principal	215,000	-	-	215,000
Interest and Other Fiscal Charges	36,648	-	-	36,648
	<u>6,151,887</u>	<u>15,072</u>	<u>-</u>	<u>6,166,959</u>
Total Receipts Over/(Under) Disbursements	<u>1,155,153</u>	<u>(7,572)</u>	<u>-</u>	<u>1,140,009</u>
Other Financing Receipts / (Disbursements):				
Transfers-In	-	6,572	652,499	659,071
Transfers-Out	(659,071)	-	-	(659,071)
	<u>(659,071)</u>	<u>6,572</u>	<u>652,499</u>	<u>-</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	496,082	(1,000)	652,499	1,147,581
Fund Cash Balances, January 1	<u>169,251</u>	<u>-</u>	<u>971,675</u>	<u>1,140,926</u>
Fund Cash Balances (Deficit), December 31				
Assigned	329,426	-	1,624,174	1,953,600
Unassigned	<u>335,907</u>	<u>(1,000)</u>	<u>-</u>	<u>334,907</u>
<i>Fund Cash Balances (Deficit), December 31</i>	<u>\$ 665,333</u>	<u>\$ (1,000)</u>	<u>\$ 1,624,174</u>	<u>\$ 2,288,507</u>

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

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	All Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash Receipts:				
Property and Other Local Taxes	\$ 1,825,958	\$ -	\$ -	\$ 1,825,958
Public Library Funds	2,621,867	-	-	2,621,867
Intergovernmental	110,703	-	-	110,703
Patron Fines and Fees	246,648	-	-	246,648
Services Provided to Other Entities	49,673	-	-	49,673
Contributions, Gifts and Donations	36,105	3,690	-	39,795
Earnings on Investments	848	-	-	848
Miscellaneous	19,094	-	-	19,094
Total Cash Receipts	4,910,896	3,690	-	4,914,586
Cash Disbursements:				
Current:				
Library Services:	-	-	-	-
Public Services and Programs	2,725,603	3,336	-	2,732,275
Collection Development and Processing	59,039	-	-	59,039
Support Services:	-	-	-	-
Facilities Operation and Maintenance	590,287	-	-	590,287
Information Services	36,546	-	-	36,546
Business Administration	1,151,814	-	-	1,151,814
Capital Outlay	119,435	1,200	-	121,835
Debt Service:	-	-	-	-
Redemption of Principal	205,000	-	-	205,000
Interest and Other Fiscal Charges	47,615	-	-	47,615
Total Cash Disbursements	4,935,339	4,536	-	4,944,411
Total Receipts Over/(Under) Disbursements	(24,443)	(846)	-	(26,135)
Other Financing Receipts / (Disbursements):				
Transfers-In	-	846	260,000	260,846
Transfers-Out	(260,846)	-	-	(260,846)
Total Other Financing Receipts / (Disbursements)	(260,846)	846	260,000	-
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(285,289)	-	260,000	(26,135)
Fund Cash Balances, January 1	454,540	-	711,675	1,166,215
Fund Cash Balances, December 31				
Assigned	76,205	-	971,675	1,047,880
Unassigned	93,046	-	-	93,046
Fund Cash Balances, December 31	\$ 169,251	\$ -	\$ 971,675	\$ 1,140,926

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

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Westerville School District Library, Franklin County, (the Library) as a body corporate and politic. The Westerville City School District Board of Education appoints a seven member Board of Trustees to govern the Library. The Library provides the community with various educational and literary resources.

The Friends of the Westerville School District Library, Inc. is a legally separate, not-for-profit organization with a self-appointing board. The Library is not financially accountable for the organization, nor does the Library approve the budget or the issuance of debt of the organization. The Library does not have access to the resources provided by the organization. Therefore, this organization has been excluded from the reporting entity of the Library.

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

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Library recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Deposits and Investments

The Library's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

D. Fund Accounting

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

1. General Fund

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted to expenditure for specified purposes other than debt service or capital projects. The Library had the following significant Special Revenue Funds:

2011:

Choose to Read Ohio Fund – This Special Revenue Fund received a grant from Choose to Read Ohio and expends the resources for purchases of books and bags used in the Choose to Read program.

OPLIN Filtering Fund – This Special Revenue Fund received a grant from OPLIN and expends the resources for a multifunction filter into the computer systems.

2012:

Humanities Council Fund – This Special Revenue Fund received funds from the Humanities Council Grant and expends resources for speakers and other presentations.

3. Capital Project Funds

These funds account for and report financial resources that are assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Library had the following significant capital project fund:

Building and Repair Fund – The monies maintained in this fund are to be used for improving, fixing and expanding the existing library facility.

E. Budgetary Process

The Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end. Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, and object level of control.

A summary of 2012 and 2011 budgetary activity appears in Note 3.

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Library must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Library classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

F. Fund Balance (Continued)

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

Trustees can *commit* amounts via formal action (resolution). The Library must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the General Fund report all fund balances as *assigned* unless they are restricted or committed. In the General Fund, *assigned* amounts represent intended uses established by Library Trustees or a Library official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the General Fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Library applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

G. Property, Plant, and Equipment

The Library records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

H. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

2. Equity in Pooled Deposits and Investments

The Library maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

Demand deposits	\$ 545,507	\$ 1,140,926
Total deposits	545,507	1,140,926
Negotiable Certificates of Deposits	1,743,000	-
Total Investments	1,743,000	-
Total Deposits and Investments	2,288,507	1,140,926

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Investments: Fifth Third Securities holds the Library's negotiable certificates of deposit in book-entry form by, in the name of the Library's financial institution. The financial institution maintains records identifying the Library as owner of these securities.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2012 and 2011 follows:

2012 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$7,627,931	\$7,307,040	(\$320,891)
Special Revenue	14,572	14,072	(500)
Capital Projects	342,499	652,499	310,000
Total	\$7,985,002	\$7,973,611	(\$11,391)

2012 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$7,547,905	\$7,140,384	\$407,521
Special Revenue	15,072	15,072	0
Capital Projects	971,675	0	971,675
Total	\$8,534,652	\$7,155,456	\$1,379,196

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

3. Budgetary Activity (Continued)

2011 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$4,962,015	\$4,910,896	(\$51,119)
Special Revenue	3,690	4,536	846
Capital Projects	0	260,000	260,000
Total	\$4,965,705	\$5,175,432	\$209,727

2011 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,315,432	\$5,272,390	\$43,042
Special Revenue	4,536	4,536	0
Capital Projects	711,675	0	711,675
Total	\$6,031,643	\$5,276,926	\$754,717

4. Grants-in-aid and Tax Receipts

The primary source of revenue for Ohio public libraries is the Public Library Fund (PLF). The State allocates PLF to each county based on the total tax revenue credited to the State's general revenue fund during the preceding month. The County Budget Commission bases the amount for distribution on the needs of such library for the construction of new library buildings, parts of buildings, improvements, operation, maintenance, or other expenses. The County Budget Commission cannot reduce its allocation of these funds to the Library based on any additional revenues the Library receives.

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the Library is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Other Governments' Grants In Aid. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the taxing district.

Property owners assess tangible personal property tax. These owners must file a list of tangible property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Library.

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

5. Debt

Debt outstanding at December 31, 2012 was as follows:

	Principal	Interest Rate
General Obligation Bonds	\$470,000	5.35%
Total	\$470,000	

The Debt payments will be made from the General Fund. The proceeds of this debt refunding were used to refund the original 2004 debt LLGS Revenue Anticipation Notes for the renovation and construction of the Library annex.

Amortization of the above debt, including interest, is scheduled as follows:

	Library Facilities Advance Refunding Note, Series 2009
Year ending December 31:	
2013	\$255,145
2014	252,840
Total	\$507,985

6. Retirement Systems

The Library's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For both 2012 and 2011, OPERS members contributed 10% of their gross salaries and the Library contributed an amount equaling 14% of participants' gross salaries. The Library has paid all contributions required through December 31, 2012.

7. Risk Management

Commercial Insurance

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

8. Change in Accounting Principle

The Library has implemented Government Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." The implementation of this statement did not result in any adjustment to the Library's financial statements.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Westerville School District Library
Franklin County
126 South State St.
Westerville, Ohio 43081

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of Westerville School District Library, Franklin County, Ohio (the Library) as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements, and have issued our report thereon dated December 23, 2013, wherein we noted the Library followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permits. We also noted in 2011, the Library adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Library's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Library's internal control. Accordingly, we have not opined on it.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Library's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding 2012-01 described in the accompanying schedule of findings to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Library's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

December 23, 2013

**WESTERVILLE SCHOOL DISTRICT LIBRARY
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2012**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2012-001

Financial Reporting - Material Weakness

Sound financial reporting is the responsibility of the Library's Finance Department and Board of Trustees and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The following audit adjustments have been accounted for in the accompanying December 31, 2012 and December 31, 2011 financial statements:

1. Reclassification of General Fund library services expenditures as redemption of principal expenditures for \$215,000 in 2012 and \$205,000 in 2011 and interest and fiscal charges for \$36,648 in 2012 and \$47,615 in 2011.
2. Reclassification of General Fund library services expenditures as public services and programs, collection development and processing, facilities operation and maintenance, information services, business administration, and capital outlay for \$5,900,239 in 2012 and \$4,682,724 in 2011.
3. Reclassification of Special Revenue miscellaneous receipts as contributions, gifts and donations receipts for \$3,690 in 2011.
4. Reclassification of Special Revenue contributions, gifts and donations receipts as intergovernmental receipts for \$7,500 in 2012.

The following differences were immaterial to the overall financial statements of the Library and were not posted to the financial statements:

1. Adjustment to post tax receipts at gross for \$59,502 in 2012 and \$25,353 in 2011.
2. Reclassification of taxes as intergovernmental receipts for \$73,137 in 2012 and \$171,851 in 2011.

Failure to post transactions accurately could lead to misleading financial information presented to the Board and residents.

We recommend the Library implement additional procedures to enhance its controls over recording of financial transactions and financial reporting to help ensure the information accurately reflects the activity of the Library. Such procedures may include additional reviews of the financial statements including the notes to the financial statements by a member of management and an analytical comparison of the current year annual report to the prior year annual report for obvious errors or omissions.

We did not receive an official's response for the finding denoted above.

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Dave Yost • Auditor of State

WESTERVILLE SCHOOL DISTRICT LIBRARY

FRANKLIN 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
JANUARY 28, 2014**