

***BRISTOL PUBLIC LIBRARY***

***TRUMBULL COUNTY, OHIO***

**AUDIT REPORT**

**For the Years Ended December 31, 2014 and 2013**







# Dave Yost • Auditor of State

Board of Trustees  
Bristol Public Library  
1855 Greenville Rd NW  
Bristolville, Ohio 44402

We have reviewed the *Independent Auditor's Report* of the Bristol Public Library, Trumbull County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2013 through December 31, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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 Bristol 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

August 5, 2015

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BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY

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**INDEPENDENT AUDITOR'S REPORT**

Bristol Public Library  
Trumbull County  
PO Box 220  
1855 Greenville Rd NW  
Bristolville, Ohio 44402

To the Board of Trustees:

***Report on the Financial Statements***

We have audited the accompanying financial statements and related notes of the Bristol Public Library, Trumbull County, (the Library) as of and for the years ended December 31, 2014 and 2013.

***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 Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; 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 opinions.

***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(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Library does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

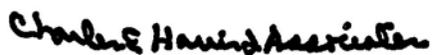
In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Library as of December 31, 2014 and 2013, or changes in financial position thereof for the year 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 the Bristol Public Library, Trumbull County as of December 31, 2014 and 2013, 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(D) permit, described in Note 1.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2015, 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.



***Charles E. Harris & Associates, Inc.***  
June 26, 2015

**BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 41,926	\$ -	\$ -	\$ 41,926
Public Library	296,624	-	-	296,624
Intergovernmental	7,634	-	-	7,634
Patron Fines and Fees	7,755	-	-	7,755
Contributions, Gifts and Donations	61	-	2,080	2,141
Earnings on Investments	10,558	698	-	11,256
Miscellaneous	22,816	27,000	-	49,816
<i>Total Cash Receipts</i>	<u>387,374</u>	<u>27,698</u>	<u>2,080</u>	<u>417,152</u>
<b>Cash Disbursements</b>				
Current:				
Library Services:				
Public Services and Programs	412,330	-	-	412,330
Support Services:				
Facilities Operation and Maintenance	796	-	-	796
Business Administration	6	-	-	6
Capital Outlay	-	-	4,821	4,821
<i>Total Cash Disbursements</i>	<u>413,132</u>	<u>-</u>	<u>4,821</u>	<u>417,953</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(25,758)	27,698	(2,741)	(801)
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In	128,646	-	-	128,646
Transfers Out	-	(128,646)	-	(128,646)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>128,646</u>	<u>(128,646)</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	102,888	(100,948)	(2,741)	(801)
<i>Fund Cash Balances, January 1</i>	<u>269,415</u>	<u>100,948</u>	<u>533,768</u>	<u>904,131</u>
<b>Fund Cash Balances, December 31</b>				
Assigned	10,435	-	531,027	541,462
Unassigned	361,868	-	-	361,868
<i>Fund Cash Balances, December 31</i>	<u>\$ 372,303</u>	<u>\$ -</u>	<u>\$ 531,027</u>	<u>\$ 903,330</u>

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

**BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 40,940	\$ -	\$ -	\$ 40,940
Public Library	311,817	-	-	311,817
Intergovernmental	7,542	-	-	7,542
Patron Fines and Fees	7,752	-	-	7,752
Contributions, Gifts and Donations	430	-	500	930
Earnings on Investments	30,403	2,146	-	32,549
Miscellaneous	9,396	-	-	9,396
<i>Total Cash Receipts</i>	<u>408,280</u>	<u>2,146</u>	<u>500</u>	<u>410,926</u>
<b>Cash Disbursements</b>				
Current:				
Library Services:				
Public Services and Programs	409,826	-	-	409,826
Support Services:				
Facilities Operation and Maintenance	724	-	-	724
Capital Outlay	-	-	15,185	15,185
<i>Total Cash Disbursements</i>	<u>410,550</u>	<u>-</u>	<u>15,185</u>	<u>425,735</u>
<i>Net Change in Fund Cash Balances</i>	(2,270)	2,146	(14,685)	(14,809)
<i>Fund Cash Balances, January 1</i>	<u>271,685</u>	<u>98,802</u>	<u>548,453</u>	<u>918,940</u>
<b>Fund Cash Balances, December 31</b>				
Restricted	-	100,948	-	100,948
Assigned	24,146	-	533,768	557,914
Unassigned	245,269	-	-	245,269
<i>Fund Cash Balances, December 31</i>	<u>\$ 269,415</u>	<u>\$ 100,948</u>	<u>\$ 533,768</u>	<u>\$ 904,131</u>

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

**BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**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 Bristol Public Library, Trumbull County, Ohio (the Library) as a body corporate and politic. A seven member Board of Trustees appointed by the Bristol Local School Board of Education directs the Library. Appointments are for seven-year terms and members serve without compensation. The Library provides the community with various educational and literary resources.

The Friends of the Bristol Public Library is a not-for-profit organization with a self-appointing board with which the Library is associated. The Library is not financially accountable for any of the organization's operations, nor does the Library approve the budgets or the issuance of debt for the organization. As such, this organization has been excluded from these financial statements.

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 permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Sections 117-2-03(D) permit.

**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.

The Library values certificates of deposit at cost. Money market mutual funds are recorded at share values the mutual funds report.

**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.

**BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**1. Summary of Significant Accounting Policies (continued)**

**2. Special Revenue Fund**

This fund accounts for and reports the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Library has the following significant Special Revenue fund:

Maltby Fund – This fund receives income from the Maltby Trust fund which may be spent on Library maintenance.

**3. Capital Project Fund**

This fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Library has the following significant Capital Project fund:

Building and Repair Fund – This fund receives interest generated by amounts assigned by the Board and prior unrestricted donations for capital improvements and repairs.

**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 2014 and 2013 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.

**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.

**BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**1. Summary of Significant Accounting Policies (continued)**

**3. Committed**

The Board of Trustees can *commit* amounts via formal action (resolution). The Library must adhere to these commitments unless the Board amends 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 the Board of 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.

**2. Equity in Pooled Deposits**

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

	2014	2013
Demand deposits	\$ 903,330	\$ 904,131
Total deposits	\$ 903,330	\$ 904,131

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

**BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**3. Budgetary Activity**

Budgetary activity for the years ending December 31, 2014 and 2013 follows:

2014 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 351,415	\$ 516,020	\$ 164,605
Special Revenue	-	27,698	27,698
Capital Projects	-	2,080	2,080

2014 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 456,132	\$ 423,567	\$ 32,565
Special Revenue	128,646	128,646	-
Capital Projects	520,000	5,821	514,179

2014 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 411,157	\$ 408,280	\$ (2,877)
Special Revenue	2,500	2,146	(354)
Capital Projects	2,700	500	(2,200)

2014 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 556,700	\$ 434,696	\$ 122,004
Special Revenue	-	-	-
Capital Projects	520,000	15,185	504,815

**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. This method of distribution is called the "percentage of revenue" method. This method was not used for August 2011 through June 2013. During that 23 month period, PLF received a designated percentage of the dollar amounts received by the fund during the corresponding month of the fiscal year 2011 "base-year" period. Effective July 2013, the statutory allocation method reverted to the "percentage of revenue" method for PLF distribution. The fund received an amount equal to a specified percentage of the amount GRF tax revenue received during the previous month. Beginning with the July 2013 distribution, the "statutory allocation method" was implemented. The calendar year 2013 entitlements were used in the computation as the basis of each county's allocation percentage. Those percentages were used through December 2013. In December 2013, the actual calendar year entitlement was computed. Any difference was adjusted evenly to the PLF distributions from January-June 2014. In calendar year 2014, the statutory entitlement computation method continued. Estimated entitlement figures were issued to County Auditors in July 2013, December 2013 and June 2014. The actual 2014 entitlements will be computed in December 2014. The difference between the estimate and actual will be adjusted evenly in the PLF distributions made from January-June 2015.

**BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**4. Grants-in-aid and Tax Receipts (continued)**

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 adopted tax 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 Library.

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

**5. Retirement System**

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 2014 and 2013, OPERS members contributed 10% of their earnable salaries and the Library contributed an amount equaling 14% of participants' earnable salaries. The Library has paid all contributions required through December 31, 2014.

**6. Risk Management**

The Library belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Government Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retains 41.5% (effective November 1, 2011) of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Effective November 1, 2012 (and through October 2014) the plan increased its retention to 50% of the first \$250,000 casualty treaty. The Plan's property retention remained unchanged from prior years. This change was made to balance the reinsurance market conditions. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 767 and 774 members as of December 31, 2012 and 2013 respectively.

**BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**6. Risk Management (continued)**

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2012 and 2013 (the latest information available).

	<b>2012</b>	<b>2013</b>
Assets	\$13,100,381	\$13,774,304
Liabilities	<u>(6,687,193)</u>	<u>(7,968,395)</u>
Members' Equity	<u>\$6,413,188</u>	<u>\$5,805,909</u>

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

**7. Contingent Liabilities**

Management believes there are no pending claims or lawsuits.

**8. Transfers**

The transfer that occurred during 2014 was due to the legal dissolution of the Maltby trust. The dissolution removed the restriction of the funds received from the trust and the funds were transferred to the general fund for the general purposes of the Library in accordance with the Ohio Revised Code and court documents.

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***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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

Bristol Public Library  
Trumbull County  
PO Box 220  
1855 Greenville Road NW  
Bristolville, Ohio 44402

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 the Bristol Public Library, Trumbull County (the Library) as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements and have issued our report thereon dated June 26, 2015, wherein we noted the Library followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

***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 opinions 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 2014-001 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 an instance of noncompliance or other matter we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2014-001.

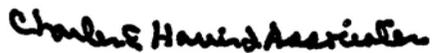
We also noted certain matters not requiring inclusion in this report that we reported to the Library's management in a separate letter dated June 26, 2015.

***Entity's Response to Finding***

The Library's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the Library's response and, accordingly, we express no opinion on it.

***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.



***Charles E. Harris and Associates, Inc.***  
June 26, 2015

**BRISTOL PUBLIC LIBRARY  
TRUMBULL COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2014 AND 2013**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**Finding Number: 2014-001 – Material Weakness and Noncompliance**

**Audit Adjustments and Reclassifications**

During audit procedures performed, errors were noted in the Library’s financial statements that required audit adjustments and reclassifications as follows:

- Interest revenue was posted to the Building and Repairs capital projects fund without the proper authorization of the Board of Trustees. All interest receipts are required to be posted to the general fund without other authorization per Ohio Revised Code Section 135.21.
- The Library incorrectly classified the Maltby fund which receives income from the Maltby Trust as an agency fund instead of a special revenue fund.

The accompanying financial statements and the Library’s records have been adjusted to properly reflect these transactions.

Sound financial reporting is the responsibility of the Library and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. We recommend the Library adopt policies and procedures to identify and correct errors and omissions in a timely manner. Management can use the UAN Handbook and other Auditor of State guidance to aid in properly identifying account classifications.

**Management’s Response:**

It has always been the intention of the Board of Trustees that the interest from the Building and Repair capital projects fund be credited to that fund and allowed to grow in order to make repairs to our “antique” facility. This was an unwritten rule and should have been in writing. The audit adjustments will be made as per auditor recommendations. A policy will be enacted by the Board to have 2015 interest and all subsequent years be applied to the Building and Repair capital projects fund. Subsequent to the adjustments, the money will be transferred back to the Building and Repair capital projects fund via Board action.



# Dave Yost • Auditor of State

**BRISTOL PUBLIC LIBRARY**

**TRUMBULL 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 18, 2015**