



Dave Yost • Auditor of State

DOVER PUBLIC LIBRARY
TUSCARAWAS COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Dover Public Library
Tuscarawas County
525 North Walnut Street
Dover, Ohio 44622

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of the Dover Public Library, Tuscarawas County, Ohio (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 § 117.38 and Ohio Administrative Code § 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 § 117.38 and Ohio Administrative Code § 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these 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 § 117.38 and Ohio Administrative Code § 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 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 the Dover Public Library, Tuscarawas 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 § 117.38 and Ohio Administrative Code § 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 November 10, 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.



Dave Yost
Auditor of State
Columbus, Ohio

November 10, 2015

**DOVER PUBLIC LIBRARY
TUSCARAWAS COUNTY**

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

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$235,618	\$0	\$235,618
Public Library	568,856	0	568,856
Patron Fines and Fees	31,429	0	31,429
Contributions, Gifts and Donations	27,151	0	27,151
Earnings on Investments	272	0	272
Miscellaneous	844	0	844
<i>Total Cash Receipts</i>	<u>864,170</u>	<u>0</u>	<u>864,170</u>
Cash Disbursements			
Current:			
Library Services:			
Collection Development and Processing	160,718	0	160,718
Support Services:			
Facilities Operation and Maintenance	114,455	0	114,455
Business Administration	613,901	0	613,901
Capital Outlay	0	19,491	19,491
<i>Total Cash Disbursements</i>	<u>889,074</u>	<u>19,491</u>	<u>908,565</u>
<i>Excess of Receipts (Under) Disbursements</i>	<u>(24,904)</u>	<u>(19,491)</u>	<u>(44,395)</u>
Other Financing Receipts			
Sale of Capital Assets	3,995	0	3,995
<i>Total Other Financing Receipts</i>	<u>3,995</u>	<u>0</u>	<u>3,995</u>
<i>Net Change in Fund Cash Balances</i>	(20,909)	(19,491)	(40,400)
<i>Fund Cash Balances, January 1</i>	<u>639,713</u>	<u>168,649</u>	<u>808,362</u>
Fund Cash Balances, December 31			
Committed	0	149,158	149,158
Assigned	64,052	0	64,052
Unassigned	554,752	0	554,752
<i>Fund Cash Balances, December 31</i>	<u>\$618,804</u>	<u>\$149,158</u>	<u>\$767,962</u>

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

**DOVER PUBLIC LIBRARY
TUSCARAWAS COUNTY**

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

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$234,056	\$0	\$234,056
Public Library	578,456	0	578,456
Patron Fines and Fees	29,538	0	29,538
Contributions, Gifts and Donations	25,471	0	25,471
Earnings on Investments	404	0	404
Miscellaneous	6,647	0	6,647
<i>Total Cash Receipts</i>	<u>874,572</u>	<u>0</u>	<u>874,572</u>
Cash Disbursements			
Current:			
Library Services:			
Collection Development and Processing	164,546	0	164,546
Support Services:			
Facilities Operation and Maintenance	210,256	0	210,256
Business Administration	570,910	0	570,910
<i>Total Cash Disbursements</i>	<u>945,712</u>	<u>0</u>	<u>945,712</u>
<i>Excess of Receipts (Under) Disbursements</i>	<u>(71,140)</u>	<u>0</u>	<u>(71,140)</u>
Other Financing Receipts			
Sale of Capital Assets	6,297	0	6,297
<i>Total Other Financing Receipts</i>	<u>6,297</u>	<u>0</u>	<u>6,297</u>
<i>Net Change in Fund Cash Balances</i>	(64,843)	0	(64,843)
<i>Fund Cash Balances, January 1</i>	<u>704,556</u>	<u>168,649</u>	<u>873,205</u>
Fund Cash Balances, December 31			
Committed	0	168,649	168,649
Assigned	165,232	0	165,232
Unassigned	474,481	0	474,481
<i>Fund Cash Balances, December 31</i>	<u><u>\$639,713</u></u>	<u><u>\$168,649</u></u>	<u><u>\$808,362</u></u>

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

**DOVER PUBLIC LIBRARY
TUSCARAWAS 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 Dover Public Library, Tuscarawas County, (the Library) as a body corporate and politic. The Library is governed by a self-appointed seven-member Board of Trustees. The Library provides the community with various educational and literary resources.

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 § 117.38 and Ohio Administrative Code § 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 § 117.38 and Ohio Administrative Code § 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.

Money market mutual funds (including STAR Ohio) 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.

**DOVER PUBLIC LIBRARY
TUSCARAWAS COUNTY**

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

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting

2. Capital Project Funds

These funds account for and report 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 had one following significant Capital Project Fund:

Building and Repair Fund – This fund is used to accumulate resources and account for all major construction and renovations.

E. Budgetary Process

The Board must annually approve appropriation measures and subsequent amendments. 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 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. Committed

The Board 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.

2. 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.

3. 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.

**DOVER PUBLIC LIBRARY
TUSCARAWAS COUNTY**

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

1. Summary of Significant Accounting Policies (Continued)

F. Fund Balance (Continued)

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 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:

	2014	2013
Demand deposits	\$465,778	\$506,278
Cash on Hand	100	100
Total deposits	465,878	506,378
STAR Ohio		
Total investments	302,084	301,984
Total deposits and investments	\$767,962	\$808,362

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

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**DOVER PUBLIC LIBRARY
TUSCARAWAS 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	\$850,994	\$868,165	\$17,171
Capital Projects	0	0	0
Total	\$850,994	\$868,165	\$17,171

2014 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$997,581	\$925,530	\$72,051
Capital Projects	35,000	19,491	15,509
Total	\$1,032,581	\$945,021	\$87,560

2013 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$842,926	\$880,869	\$37,943
Capital Projects	0	0	0
Total	\$842,926	\$880,869	\$37,943

2013 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,034,437	\$945,712	\$88,725
Capital Projects	75,095	0	75,095
Total	\$1,109,532	\$945,712	\$163,820

**DOVER PUBLIC LIBRARY
TUSCARAWAS COUNTY**

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

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 of 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.

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.

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

7. 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 2014 and 2013, 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, 2014.

**DOVER PUBLIC LIBRARY
TUSCARAWAS COUNTY**

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

8. Risk Management

Commercial Insurance

The Library has obtained commercial insurance for the following risks:

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

Unemployment

The Library participates in a group retrospective rating program, which is a shared risk pool for worker's compensation rating purposes. Ohio Revised Code § 4123.29 permits the establishment of employer group retrospective rating plans for such purposes.

The Library paid premiums to the Bureau of Worker's Compensation totaling \$2,484 in 2014 and 2013.



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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

Dover Public Library
Tuscarawas County
525 North Walnut Street
Dover, Ohio 44622

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 Dover Public Library, Tuscarawas County, Ohio (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 November 10, 2015, wherein we noted the Library followed financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 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.

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 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings that we consider significant deficiencies in internal control. We consider Findings 2014-001 and 2014-002 to be significant deficiencies.

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*.

Library's Response to Findings

The Library's responses to the Findings identified in our audit are described in the accompanying Schedule of Findings. We did not audit the Library's responses and, accordingly, we express no opinion on them.

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

November 10, 2015

**DOVER PUBLIC LIBRARY
TUSCARAWAS COUNTY**

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

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2014-001

Significant Deficiency

On a daily basis, the librarians collect fines and fees from patrons such as overdue fees, book replacement fees, fax fees, copier fees, laminating fees, and copy paper fees. Any fees collected are maintained in a locked drawer at the librarian's desk. At least twice a week, the money is collected by the Fiscal Officer, who deposits the money in the bank. A portion of the receipts is kept in the librarian's desk as a change drawer. This change drawer is also used by the librarians when petty cash is needed. The Library's general ledger reflects the change drawer or petty cash as being \$100. In order to determine the completeness of the cash collected, the Fiscal Officer will run a report showing the overdue fees and book replacement fees. A tally sheet is also used by the librarian's showing the copier fees, fax fees, and laminating fees collected.

However, while observing the Library's cash collection procedures, the following was noted:

- The amount of change drawer funds or petty cash reflected in the general ledger does not reflect the actual amount of petty cash or change funds.
- There is no documentation to support the amount of copy paper fees collected in the Technology Department.
- There are no formal collection procedures with the receipts collected in the Technology Department as they turn in receipts for depositing on a random basis. This includes the lack of establishing a standard change fund amount for the Technology Department.
- The Library employees also collect money for different fundraisers such as Relay for Life. Any money collected is held by the Library but not deposited in the Library's bank account. At the end of the fundraiser, the money is given directly to the respective party. The activity from the fundraisers is not reflected on the Library's general ledger even though the fundraisers are initiated by the Library employees.

The lack of adequate cash collection procedures could result in theft.

The Library should implement sound cash collection procedures in order to reduce the risk of theft. This includes, but is not limited to:

- Determining a set amount for the petty cash and change funds to be reconciled to each day;
- Depositing receipts daily;
- Using duplicate receipts or tally sheets for copy paper fees, as well as other fees, collected in the Technology Department;
- Delegating the fundraisers to an outside organization such as the "Friends of Library" or create an agency fund to account for the funds if the Library chooses to handle the fundraisers. Additionally, the collection of these receipts and related payments should fall under the same procedures as all other cash collections and payments of the Library.

Officials' Response: The Library has currently implemented several policies to address these issues. First, the change drawers have been adjusted to agree to the petty cash reflected in the general ledger. Second, the Technology Dept. now has a set change drawer and money is collected from this drawer by the Fiscal Officer when money is collected in other departments. The Technology Dept. is also recording fees on a tally sheet that is collected and reconciled when the cash is collected. Lastly the Library is in the process of establishing an Agency Fund to deposit money collected from different Fundraising activities. Procedures already established for cash collection and payment will apply to these funds as well.

**DOVER PUBLIC LIBRARY
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2014 AND 2013
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2014-002

Significant Deficiency

The Library should maintain an accounting system and accounting records sufficient to enable the Library to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

During our audit of the 2014 and 2013 financial statements, we noted the following reclassifications that were posted to the financial statements, which were agreed to by the Fiscal Officer:

- The General Fund's ending fund balance was improperly classified solely as unassigned, rather than allocating a portion of the fund balance to the assigned classification for amounts assigned for subsequent year's appropriations. This resulted in a misclassification of \$64,052 and \$165,232 in 2014 and 2013, respectively; and
- The Capital Project Fund's ending balance was improperly classified as assigned instead of committed. This resulted in a misclassification of \$149,158 and \$168,649 in 2014 and 2013, respectively.

Our audit also identified the following reclassifications for which the financial statements were not adjusted:

- Homestead and Rollback receipts in the amount of \$29,545 and \$30,210 in 2014 and 2013, respectively, were improperly classified as Property Tax revenue instead of Intergovernmental revenue in the General Fund; and
- Property Tax receipts were improperly recorded at net value rather than recording the receipts at gross value and expensing the related fees. This resulted in errors amounting to \$4,520 and \$4,582 in 2014 and 2013, respectively.

Sound financial reporting is the responsibility of the Library Fiscal Officer and is essential to ensure the information provided to the readers of the financial statement is complete and accurate.

Failure to properly report financial activity could result in material misstatements occurring and remaining undetected and a failure to provide management with an accurate picture of the Library's financial position and operations.

We recommend the Library take the necessary steps to ensure that all revenues, expenditures, and fund balances of the Library are properly presented in the Library's financial statements.

Officials' Response: The Fiscal Officer has taken note of the accounts which need a line item reclassification and will be sure to classify these revenues and expenditures properly in the future.



Dave Yost • Auditor of State

DOVER PUBLIC LIBRARY

TUSCARAWAS 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
DECEMBER 1, 2015**