



# Balestra, Harr & Scherer, CPAs, Inc.

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Accounting, Auditing and Consulting Services for Federal, State and Local Governments

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THE LIBRARY OF WAGNALLS MEMORIAL FOUNDATION  
FAIRFIELD COUNTY

AGREED UPON PROCEDURES

For the Years Ended December 31, 2014 and 2013





# Dave Yost • Auditor of State

Board of Trustees  
The Library of Wagnalls Memorial Foundation  
150 East Columbus Street  
Lithopolis, Ohio 43136

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of the Library of Wagnalls Memorial Foundation, Fairfield County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the period January 1, 2013 through December 31, 2014. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

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

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

September 2, 2015

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Fairfield County  
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# Balestra, Harr & Scherer, CPAs, Inc.

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Trustees  
The Library of Wagnalls Memorial Foundation  
Fairfield County  
150 East Columbus Street  
Lithopolis, Ohio 43136

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Library of Wagnalls Memorial Foundation (the Library) and the Auditor of State agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2014 and 2013, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

### Cash

1. We tested the mathematical accuracy of the December 31, 2014 and December 31, 2013 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2013 beginning fund balances recorded in the General Ledger to the December 31, 2012 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2014 beginning fund balances recorded in the General Ledger to the December 31, 2013 balances in the General Ledger. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2014 and 2013 fund cash balances reported in the General Ledger. The amounts agreed.
4. We confirmed the December 31, 2014 bank account balances with the Library's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2014 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2014 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.

**Public Library Fund Receipts**

We selected two Public Library Fund (PLF) receipts from the County Distribution Transaction Lists from 2014 and two from 2013.

1. We compared the amount from the County Distribution Transaction Lists to the amount recorded in the General Ledger. The amounts agreed.
2. We determined whether these receipts were posted to the Library Fund. We found no exceptions.
3. We determined whether the receipts were recorded in the proper year. We found no exceptions.
4. We scanned the General Ledger to determine whether it included one PLF receipt per month for 2014 and 2013. We found no exceptions.

**Debt**

1. From the prior agreed-upon procedures documentation, we noted the following loans outstanding as of December 31, 2012. These amounts agreed to the Libraries January 1, 2013 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2012:
2007 Foundation Loan	\$19,265.60

2. We inquired of management, and scanned the General Ledger for evidence of debt issued during 2014 or 2013 or debt payment activity during 2014 or 2013. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of debt activity for 2014 and 2013 and agreed principal and interest payments from the related debt amortization schedule to General debt service fund payments reported in the General Ledger. We also compared the date the debt service payments were due to the date the Library made the payments. The Library is not making payments based on an amortization schedule. The Foundation suspended the payment in 2009. The Library will make payments if they have a profit at the end of the year. We found no exceptions.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2014 and one payroll check for five employees from 2013 from the Payroll Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
  - c. We determined whether the fund and account code(s) to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files or minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.

2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files or minute record was consistent with the information used to compute gross and net pay related to this check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Department(s) and fund(s) to which the check should be charged
  - d. Retirement system participation and payroll withholding
  - e. Federal, State & Local income tax withholding authorization and withholding
  - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2014 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2014. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2015	January 15, 2015	\$3,980.53	\$3,980.53
State income taxes	January 15, 2015	January 15, 2015	\$320.82	\$320.82
School income tax	January 15, 2015	January 30, 2015	\$545.94	\$545.94
Local income tax	January 15, 2015	January 30, 2015	\$642.52	\$642.52

**Exception:** As noted above, the Library was late at submitting their final 2014 payment for School income tax and Local income tax.

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

1. We haphazardly selected ten disbursements from the General Ledger for the year ended December 31, 2014 and ten from the year ended 2013 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the General Ledger and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

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

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

*Balestra, Harr & Scherer, CPAs*

Balestra, Harr & Scherer, CPAs, Inc.  
Worthington, Ohio

June 22, 2015



# Dave Yost • Auditor of State

**LIBRARY OF WAGNALLS MEMORIAL FOUNDATION**

**FAIRFIELD 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  
SEPTEMBER 15, 2015**