



Dave Yost • Auditor of State



LOGAN-HOCKING COUNTY DISTRICT LIBRARY  
HOCKING COUNTY

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

Logan-Hocking County District Library  
Hocking County  
230 East Main Street  
Logan, Ohio 43138-1306

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Logan-Hocking County District Library, Hocking County, Ohio (the Library), 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 and Investments

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 Combined Statement of Receipts, Disbursements and Changes in Fund Balance For the Year Ended December 31, 2013 to the December 31, 2012 balances in the 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 Combined Statement of Receipts, Disbursements and Changes in Fund Balance For the Year Ended December 31, 2014 to the December 31, 2013 balances in the Combined Statement of Receipts, Disbursements and Changes in Fund Balance For the Year Ended December 31, 2013. 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 Combined Statement of Receipts, Disbursements and Changes in Fund Balance for the Year Ended December 31, 2014 and 2013. 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.

### **Cash and Investments (Continued)**

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.
6. We tested interbank account transfers occurring in December of 2014 and 2013 to determine if they were properly recorded in the accounting records and on each bank statement or reconciliation. We found no exceptions.
7. We tested investments held at December 31, 2014 and December 31, 2013 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14 or 135.144 with one exception. Article VIII, Sections 4 and 6 of the Ohio Constitution prohibit public bodies from becoming a "stockholder in any joint stock company, corporation or association. The Library held one donated stock certificate for \$3,025 of Dudley Ridge Oil Company Ltd.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code § 135.13 or 135.14. We noted no exceptions.

### **Public Library Fund Receipts**

We selected two Public Library Fund (PLF) receipts from the Ohio Department of Taxation PLF Distribution Report from 2014 and two from 2013.

- a. We compared the amount from the Ohio Department of Taxation PLF Distribution Report to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. We determined whether these receipts were posted to the General Fund. We found no exceptions.
- c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
- d. We scanned the Receipt Ledger to determine whether it included one PLF receipt per month for 2014 and 2013. We found no exceptions.

### **Over-The-Counter Cash Receipts**

We haphazardly selected all three over-the-counter cash receipts from the year ended December 31, 2014 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2012.
2. We inquired of management, and scanned the Receipt Ledger and Appropriation Ledger for evidence of debt issued during 2014 or 2013 or debt payment activity during 2014 or 2013. We noted no new debt issuances, nor any debt payment activity during 2014 or 2013.

**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 Check Register and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Spreadsheet 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 Check Register and Payroll Spreadsheet. We found no exceptions.
  - c. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
  
2. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files 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 and Medicare	01/31/15	12/19/14	\$ 4,650	\$ 4,650
State Income Taxes	01/15/15	12/19/14	\$ 508	\$ 508
City of Logan Income Tax	01/31/15	12/12/14	\$ 323	\$ 323
Logan Elm School District Income Tax	01/31/15	12/12/14	\$ 41	\$ 41
OPERS Retirement	01/30/15	12/20/14	\$ 6,205	\$ 6,205

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

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

### Non-Payroll Cash Disbursements

1. From the Appropriation Ledger, we re-footed checks recorded as General Fund *retirement*, and checks recorded as *repairs and maintenance* in the Rental (Special Revenue) fund for 2014. We found no exceptions.
2. We haphazardly selected ten disbursements from the Appropriation 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 Appropriation 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.

### Compliance – Budgetary

1. We compared total appropriations required by Ohio Admin. Code § 117-8-02, to the amounts recorded in the Appropriation Ledger Report for 2014 and 2013 for the following funds: General and Rental. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Ledger report.
2. Ohio Admin. Code § 117-8-02 prohibits spending in excess of budgeted amounts. We compared total expenditures to total appropriations for the years ended December 31, 2014 and 2013 for the General and Rental fund, as recorded in the Appropriation Ledger Report. We noted no funds for which expenditures exceeded appropriations.

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, and others within the Library, and is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

Columbus, Ohio

April 1, 2015



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LOGAN-HOCKING COUNTY DISTRICT LIBRARY

HOCKING 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  
APRIL 21, 2015