



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Tipp City Public Library
Miami County
11 East Main Street
Tipp City, Ohio 45371

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Tipp City Public Library (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, 2015 and 2014, 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, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2014 beginning fund balances recorded in the 2014 Financial Report to the December 31, 2013 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the 2015 Financial Report to the December 31, 2014 balances in the 2014 Financial Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balances reported in the 2015 and 2014 Financial Reports. The December 31, 2015 bank reconciliation balance was \$108 higher than the 2015 fund cash balance. Additionally, the December 31, 2014 bank reconciliation balance was \$2,245 less than the 2014 fund cash balance. The Library should establish and implement policies and procedures to verify that reconciled cash balances agree to the fund cash balance.
4. We confirmed the December 31, 2015 Certificate of Deposit account balances with the Library's financial institutions. We found no exceptions. We observed the year-end bank account balances on the financial institutions' websites. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2015 bank reconciliation without exception.

Cash and Investments (Continued)

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2015 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 selected the only reconciling credit (such as deposits in transit) from the December 31, 2015 bank reconciliation:
 - a. We traced the credit to the subsequent January statement. We found no exceptions.
 - b. We agreed the credit amount to the 2015 Transaction Detail Report. The credit was recorded as a December receipt for the same amount recorded in the reconciliation.
7. We tested investments held at December 31, 2015 and December 31, 2014 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

Public Library Fund Receipts

We selected two Public Library Fund (PLF) receipts from the County Invoice List by GL Account Report from 2015 and two from 2014.

- a. We compared the amount from the County Invoice List by GL Account Report to the amount recorded in the Transaction Detail Report. 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 Transaction Detail Report to determine whether it included one PLF receipt per month for 2015 and 2014. We found no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2015 and one from 2014
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Transaction Detail Report. The amounts agreed.
 - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Transaction Detail Report to determine whether it included two real estate tax receipts for 2015 and 2014. We noted the Transaction Detail Report included the proper number of tax receipts for each year.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts (Continued)

3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2015 and 2014. We also selected all receipts from the County Auditor's Invoice List by GL Account Report from 2015 and 2014.
 - a. We compared the amount from the above reports to the amount recorded in the Transaction Detail Report. We noted all State and County distributions amounts for 2015 and 2014 agreed.
 - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
4. We agreed the amounts paid from the Troy Foundation, the Sunday Revocable Living Trust, and the Alice Lee Lund Charitable Trust to the Library during 2015 with the supporting documentation on file for each. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund(s). We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2013.
2. We inquired of management, and scanned the Financial Reports and the Transaction Detail Reports for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. We noted no new debt issuances, nor any debt payment activity during 2015 or 2014.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2015 and one payroll check for five employees from 2014 from the Payroll Worksheet Reports and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Worksheet Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. 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 Board-approved Annual Rate Increase Report. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2015 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 2015. We noted the following:

Payroll Cash Disbursements (Continued)

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2016	January 7, 2016	3,354	3,354
State income taxes	January 15, 2016	January 7, 2016	572	572
School District income tax	January 15, 2016	January 7, 2016	148	148
Local income tax	January 15, 2016	January 7, 2016	565	565
OPERS retirement	January 30, 2016	January 19, 2016	5,874	5,874

3. 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 Worksheet Report:
 - 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. We haphazardly selected ten disbursements from the Check Detail Report for the year ended December 31, 2015 and ten from the year ended 2014 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 Check Detail Report 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.
2. We scanned the Check Detail Report for the year ended December 31, 2015 and 2014 and determined that the proceeds from the levy passed under Ohio Rev. Code Section 5705.23, were used for the purpose stated in the resolution.

Compliance – Budgetary

1. We compared total appropriations required by Ohio Admin. Code Section 117-8-02, to the amounts recorded in the Financial Reports for 2015 and 2014 for the following funds: General and Special Revenue Funds. The 2014 Board approved General Fund appropriation measures were \$786,900, while the Financial Reports reported General Fund appropriations in amount of \$806,900. The fiscal officer should periodically compare amounts recorded in the Financial Reports to amounts approved by the *Board* to assure they agree. If the amounts do not agree, the Trustees may be using inaccurate information for budgeting and monitoring purposes.

Compliance – Budgetary (Continued)

2. Ohio Admin. Code Section 117-8-02 prohibits spending in excess of budgeted amounts. We compared total expenditures to total appropriations for the years ended December 31, 2015 and 2014 for the General and Building funds, as recorded in the Financial Reports. We noted no funds for which expenditures exceeded appropriations.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the Entity filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. No exceptions noted.

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

June 9, 2016

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TIPP CITY PUBLIC LIBRARY

MIAMI 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
JULY 5, 2016