



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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

Henderson Memorial Public Library Association  
Ashtabula County  
54 East Jefferson Street  
Jefferson, Ohio 44047

We have performed the procedures enumerated below on the Henderson Memorial Public Library Association's (the Association) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2021 and 2020 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Association. The Association is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2021 and 2020 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Association.

The Board of Trustees and the management of the Association have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Association's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2021 and 2020, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

### Cash and Investments

1. We recalculated the December 31, 2021 and December 31, 2020 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2020 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2019 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2021 beginning fund balances for each fund recorded in the Fund Ledger Report to the December 31, 2020 balances in the Fund Ledger Report. We found no exceptions.
3. We agreed the 2021 and 2020 bank reconciliation Adjusted UAN Balances and Adjusted Bank Balances as of December 31, 2021 and 2020 to the total fund cash balances reported in the Fund Status Report and the financial statements filed by the Association in the Hinkle System. The amounts agreed.

4. We observed the year-end bank balances on the financial institution's website and through the Ohio Pooled Collateral System (OPCS). The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2021 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2021 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 and determined the debits were dated prior to December 31. We found no exceptions.
6. We selected the one reconciling credit (such as deposits in transit) from the December 31, 2021 bank reconciliation:
  - a. We traced the credit to the subsequent January bank statement. We found no exceptions.
  - b. We agreed the credit amount to the Receipts Register and determined it was dated prior to December 31. We found no exceptions.
7. We inspected investments held at December 31, 2021 and December 31, 2020 to determine that they:
  - a. Were of a type allowable. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code §§ 135.13 or 135.14. We found no exceptions.

#### **Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a total of five receipts from the State Distribution Transaction Lists (DTL) and the County Auditor's DTLs from 2021 and a total of five from 2020.
  - a. We compared the amount from the above reports to the amount recorded in the Receipt Register Report. The amounts agreed.
  - b. We inspected the Receipt Register Report to confirm whether these receipts were allocated to the proper funds. We found no exceptions.
  - c. We inspected the Receipt Register Report to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. We inspected the Receipt Register Report to determine whether it included one Public Library Fund receipt per month for 2021 and 2020. We found no exceptions.
3. We confirmed the total amount paid from the Henderson Foundation to the Association during 2021 and 2020. We also confirmed individual amounts donated from one private individual to the Association during 2020 with the supporting documentation. Additionally, we confirmed on Jefferson Township's Payment Register Detail Report the amounts paid from Jefferson Township to the Association during 2021 and 2020. We found no exceptions.
  - a. We inspected the Receipt Register Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
  - b. We inspected the Receipt Register Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

#### **Other Receipts**

- We selected 10 other receipts from the year ended December 31, 2020 and:
- a. Agreed the receipt amounts recorded in the Receipt Register Report to supporting documentation. The amounts agreed.
  - b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.

**Debt**

1. From the prior audit documentation, we observed the following notes and loans were outstanding as of December 31, 2019. These amounts agreed to the Association's January 1, 2020 balances on the summary we used in procedure 3.

<b>Issue</b>	<b>Principal outstanding as of December 31, 2019:</b>
Andover Bank Promissory Note	\$52,453
Henderson Foundation Loan	\$20,000

2. We inquired of management, and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2021 or 2020 or debt payment activity during 2021 or 2020. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of notes and loans debt activity for 2021 and 2020 and agreed principal and interest payments from the related debt amortization schedules to General fund payments reported in the Payment Register Detail Report. We also compared the date the debt service payments were due to the date the Association made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We selected one payroll check for five employees from 2021 and one payroll check for five employees from 2020 from the Wage Withholdings Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary).
    - i. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
    - ii. We agreed these items to the information used to compute gross and net pay related to this check.  
We found no exceptions.
  - b. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2021 to confirm 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 2021. We observed 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, 2022	December 22, 2021	\$1,447.64	\$1,447.64
State income taxes	January 15, 2022	December 22, 2021	\$222.52	\$222.52
Village of Jefferson income taxes	January 31, 2022	December 22, 2021	\$253.85	\$253.85
City of Ashtabula income taxes	January 31, 2022	December 22, 2021	\$158.80	\$158.80
OPERS	January 30, 2022	December 22, 2021	\$3,691.58	\$3,691.58

We found no exceptions.

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

We selected 10 disbursements from the Payment Register Detail Report for the year ended December 31, 2021 and 10 from the year ended December 31, 2020 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 Payment Register Detail Report and to the names and amounts on the supporting invoices. We found no exceptions.

### **Sunshine Law Compliance**

1. We obtained and inspected the Association's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We inquired with Association management and determined that the Association did not have any completed public records requests during the engagement period.
3. We inquired whether the Association had a records retention schedule, and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inspected the Association's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We observed that the Association's poster describing their Public Records Policy was displayed conspicuously in all branches of the Association as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We selected one application submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. We inspected the approval by the Records Commission for the one selected and the review of the schedules. This was required by Ohio Rev. Code § 149.38. We found no exceptions.
8. We inquired with Association management and determined that the Association did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the Association notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.

10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
  - a. Prepared – a file is created following the date of the meeting.
  - b. Filed – placed with similar documents in an organized manner.
  - c. Maintained - retained, at a minimum, for the engagement period.
  - d. Open to public inspection – available for public viewing or request.We found no exceptions.

11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
  - a. Executive sessions were only held at regular or special meetings.
  - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
  - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

### Other Compliance

1. We inspected the Appropriation Ledger Report for the Nance-Irby and Woodbury fund. Not more than 5% of the non-spendable monies were released, spent, or otherwise modified during the engagement period. We found no exceptions.
2. Ohio Rev. Code § 117.38 requires Association Libraries to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Association filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2021 and 2020 in the Hinkle system. We found no exceptions.

We were engaged by the Association to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Association's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Association and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.



Keith Faber  
Auditor of State  
Columbus, Ohio

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**HENDERSON MEMORIAL PUBLIC LIBRARY ASSOCIATION**

**ASHTABULA COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 6/2/2022**

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