



**ASHLAND COUNTY LAW LIBRARY ASSOCIATION
ASHLAND COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**ASHLAND COUNTY LAW LIBRARY ASSOCIATION
ASHLAND COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Ashland County Law Library Association
Ashland County
10 East Main Street
Ashland, Ohio 44805

To the Board of Trustees:

We have audited the accompanying financial statements of the Ashland County Law Library Association, (the Library) as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Library as of December 31, 2000 and 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2001 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

Ashland County Law Library Association
Ashland County
Report of Independent Accountants
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This report is intended solely for the information and use of the management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

February 23, 2001

**ASHLAND COUNTY LAW LIBRARY ASSOCIATION
ASHLAND COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN
FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	General	Special Revenue	Total (Memorandum Only)
Cash Receipts:			
Fines	\$267,416		\$267,416
Interest Income		\$4,863	4,863
Refunds and Reimbursements		5,632	5,632
Total Cash Receipts	267,416	10,495	277,911
Cash Disbursements:			
Current:			
Books and Supplies	193,421		193,421
Salaries and Benefits	7,006		7,006
Utilities	1,569		1,569
Insurance	512		512
Repairs and Maintenance	1,690		1,690
Copier	1,370		1,370
Postage	33		33
Intergovernmental Refunds	56,322		56,322
Miscellaneous	64	60	124
Total Cash Disbursements	261,987	60	262,047
Total Cash Receipts Over Cash Disbursements	5,429	10,435	15,864
Fund Cash Balances, January 1	56,322	121,304	177,626
Fund Cash Balances, December 31	\$61,751	\$131,739	\$193,490

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

**ASHLAND COUNTY LAW LIBRARY ASSOCIATION
ASHLAND COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN
FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	General	Special Revenue	Total (Memorandum Only)
Cash Receipts:			
Fines	\$229,712		\$229,712
Interest Income		\$4,958	4,958
Refunds and Reimbursements	1,175	5,321	6,496
Total Cash Receipts	230,887	10,279	241,166
Cash Disbursements:			
Current:			
Books and Supplies	158,758		158,758
Salaries and Benefits	8,412		8,412
Utilities	1,487		1,487
Insurance	660		660
Repairs and Maintenance	421		421
Copier	1,218		1,218
Storage Fees	345		345
Office Supplies	140		140
Intergovernmental Refunds	53,213		53,213
Audit Fees	1,616		1,616
Bank Charges	28		28
Dues	540		540
Miscellaneous		60	60
Capital Outlay	940	940	1,880
Total Cash Disbursements	227,778	1,000	228,778
Total Cash Receipts Over Cash Disbursements	3,109	9,279	12,388
Fund Cash Balances, January 1	53,213	112,025	165,238
Fund Cash Balances, December 31	\$56,322	\$121,304	\$177,626

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

**ASHLAND COUNTY LAW LIBRARY ASSOCIATION
ASHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Ashland County Law Library Association (the Library) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The Library operates under the direction of a five-member Board of Trustees who are elected by members of the Ashland County Bar Association in good standing. Each Trustee is elected for a term of five years and serves without compensation.

The purpose of the Library is to establish and maintain a law library for the members of the Ohio General Assembly, Ashland County officials, judges or officers of municipal corporations as provided by law, members of the Library and such other persons as the Trustees may approve.

The Library's management believes these financial statements present all activities for which the Library is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash

All funds of the Library are held in an interest bearing checking account, savings account or certificates of deposit. The Library has no investments.

D. Fund Accounting

The Library uses fund accounting to segregate cash that is restricted as to use. The Library classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted. If the General Fund has an operating cash surplus, the Library is required to refund 90% of the surplus to the treasurers of the contributing subdivisions. The refund would be proportional to the amount contributed.

**ASHLAND COUNTY LAW LIBRARY ASSOCIATION
ASHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Fund

This fund is used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Library's only Special Revenue Fund is the Ten Percent Fund which receives interest earned on certificates of deposit and 10% of receipts not disbursed during the fiscal year.

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

2. CASH

The Library maintains a separate bank account for each fund. The Ohio Revised Code prescribes allowable deposits. The carrying amount of cash at December 31 follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$88,490	\$92,626
Certificates of deposit	<u>105,000</u>	<u>85,000</u>
Total deposits	<u>\$193,490</u>	<u>\$177,626</u>

Deposits:

Deposits are insured by the Federal Depository Insurance Corporation.

3. LAW LIBRARY FUNDING

The primary source of revenue of the Library is fines, penalties and forfeited bail from municipal and county courts, including common pleas and probate courts; and fines, penalties and forfeited bail from cases involving violations of liquor control laws.

This funding is prescribed by Ohio Rev. Code Sections 3375.50 through 3375.53.

4. RETIREMENT SYSTEM

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees. Contribution rates are also prescribed by the Ohio Revised Code. The Library's PERS members contributed 8.5% of their gross salaries. The Library contributed an amount equal to 13.55% of participants' gross salaries. The Library has paid all contributions required through December 31, 2000.

**ASHLAND COUNTY LAW LIBRARY ASSOCIATION
ASHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

5. RISK MANAGEMENT

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and omissions

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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Ashland County Law Library Association
Ashland County
10 East Main Street
Ashland, Ohio 44805

To the Board of Trustees:

We have audited the accompanying financial statements of the Ashland County Law Library Association, (the Library) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated February 23, 2001. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Library's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Library's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Library in a separate letter dated February 23, 2001.

Ashland County Law Library Association
Ashland County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

February 23, 2001



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ASHLAND COUNTY LAW LIBRARY ASSOCIATION

ASHLAND 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
MARCH 29, 2001**