



Mary Taylor, CPA  
Auditor of State



**CLARK COUNTY LAW LIBRARY ASSOCIATION  
CLARK COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Cover Letter .....	1
Independent Accountants' Report.....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Public Funds - For the Year Ended December 31, 2007 .....	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Public Funds - For the Year Ended December 31, 2006.....	6
Notes to the Financial Statements .....	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	11

**This page intentionally left blank.**



Mary Taylor, CPA  
Auditor of State

Clark County Law Library Association  
Clark County  
101 North Limestone Street  
Springfield, Ohio 45502-1190

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

*Mary Taylor*

**Mary Taylor, CPA**  
Auditor of State

October 30, 2008

**This page intentionally left blank.**



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Clark County Law Library Association  
Clark County  
101 North Limestone Street  
Springfield, Ohio 45502-1190

To the Board of Trustees:

We have audited the accompanying financial statements of the general fund and the retained monies fund Clark County Law Library Association, Clark County, (the Library) as of and for the years ended December 31, 2007 and 2006. 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

The financial statements present only the general fund and the retained monies fund and do not intend to present fairly the financial position or results of operations of the all Library funds.

As described more fully in Note 1, the Library has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

GAAP require presenting entity wide statements and also presenting the Library's larger (i.e. major) funds separately. While the Library does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Libraries to reformat their statements. The Library has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2007 and 2006 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Library as of December 31, 2007 and 2006, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of Clark County Law Library Association, Clark County, the general fund and the retained monies fund as of December 31, 2007 and 2006, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Library has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2008, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

October 30, 2008



**CLARK COUNTY LAW LIBRARY ASSOCIATION  
CLARK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL PUBLIC FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<b>General Fund</b>	<b>Retained Monies Fund</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts:</b>			
Fine and Forfeitures	\$259,975		\$259,975
Interest	6,178	\$17,787	23,965
Total Cash Receipts	<u>266,153</u>	<u>17,787</u>	<u>283,940</u>
<b>Cash Disbursements:</b>			
Books and Periodicals	168,866		168,866
Supplies and Materials	7,992		7,992
Payroll Wages & Taxes	47,003		47,003
Bank Fees	748	2,126	2,874
Equipment	9,424		9,424
Website	1,499		1,499
Refunds to Relative Income Sources - See Note 2	13,396		13,396
Total Cash Disbursements	<u>248,928</u>	<u>2,126</u>	<u>251,054</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>17,225</u>	<u>15,661</u>	<u>32,886</u>
<b>Other Financing Receipts/(Disbursements):</b>			
Remittance to Retained Funds	(5,793)	5,793	
Refunds from Vendors	214		214
Total Other Financing Receipts/(Disbursements)	<u>(5,579)</u>	<u>5,793</u>	<u>214</u>
Excess (Deficiency) of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements and Other Financing Disbursements	11,646	21,454	33,100
Public Fund Cash Balances, January 1	<u>19,189</u>	<u>457,109</u>	<u>476,298</u>
Public Fund Cash Balances, December 31	<u>\$30,835</u>	<u>\$478,563</u>	<u>\$509,398</u>

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

**CLARK COUNTY LAW LIBRARY ASSOCIATION  
CLARK COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL PUBLIC FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<b>General Fund</b>	<b>Retained Monies Fund</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts:</b>			
Fine and Forfeitures	\$260,825		\$260,825
Interest	4,305	\$15,270	19,575
Total Cash Receipts	<u>265,130</u>	<u>15,270</u>	<u>280,400</u>
<b>Cash Disbursements:</b>			
Books and Periodicals	147,597		147,597
Supplies and Materials	8,630		8,630
Payroll Wages & Taxes	70,479		70,479
Bank Fees	753	2,127	2,880
Equipment	15,957		15,957
Website	2,700		2,700
Total Cash Disbursements	<u>246,116</u>	<u>2,127</u>	<u>248,243</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>19,014</u>	<u>13,143</u>	<u>32,157</u>
<b>Other Financing Receipts/(Disbursements):</b>			
Refunds from Vendors	175		175
Total Other Financing Receipts/(Disbursements)	<u>175</u>		<u>175</u>
Excess (Deficiency) of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements and Other Financing Disbursements	19,189	13,143	32,332
Public Fund Cash Balances, January 1 (Restated)		<u>443,966</u>	<u>443,966</u>
Public Fund Cash Balances, December 31	<u>\$19,189</u>	<u>\$457,109</u>	<u>\$476,298</u>

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

**CLARK COUNTY LAW LIBRARY ASSOCIATION  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Clark County Law Library Association (the Library) is governed by a board of 12-15 trustees. The President of the Clark County Bar Association annually appoints the board members. The Library provides access to all county officers and the judges of the several courts within the county.

The Library operates by receiving a portion of fine and forfeiture monies from the courts (and any associated interest) under Ohio Revised Code (ORC) §§ 3375.50 to .53, inclusive. ORC § 3375.54 authorizes the Library to disburse funds to purchase, lease or rent law books; computer communications consoles to access a system of computerized legal research; microfilm materials and equipment, videotape materials and equipment; audio or visual materials and equipment; and other services, materials, and equipment that provide legal information or facilitate legal research.

ORC §3375.49 requires the Clark County Commissioners to provide adequate facilities for the Library, including suitable bookcases, heating and lighting for the rooms.

The Board of Trustees hires a librarian and not more than two assistant law librarians. The Judges of the Court of Common Pleas of Clark County fix these librarians' compensation pursuant to ORC § 3375.48. If the Library provides free access to all county officers and the judges of the several courts, the County treasury pays the librarians' salary. If the Library does not provide free access, the Library must pay the librarians' salary.

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

The Library deems some funds it receives as private monies. Private monies include: membership dues, overdue book charges, and photocopying charges. Fees the Library collects for the use of books and copiers remain private even though the books and copiers may have been purchased with public funds. The Library need not comply with ORC § 3375.54 when disbursing private money. The accompanying financial statements do not present private monies.

**B. Accounting Basis**

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Library recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Cash and Investments**

The Library's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Money market mutual funds are recorded at share values the mutual funds report.

**CLARK COUNTY LAW LIBRARY ASSOCIATION  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting**

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

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**2. Retained Monies Fund**

Retained Monies Fund reports funds the Library retains under Ohio Revised Code § 3375.56. At the end of each calendar year the Library may retain up to ten percent of their unencumbered balance. See footnote 2 for additional information.

**E. Property, Plant, and Equipment**

The Library records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**F. Refund to Relative Income Sources**

If certain conditions are met, Ohio Revised Code § 3375.56 requires the Library to refund at least ninety percent of any *unencumbered* balance to political subdivisions that provided revenues to the Library. See Footnote 2 for additional information.

**2. REFUND TO RELATIVE INCOME SOURCES AND AMOUNT RETAINED**

In any year that receipts exceed disbursements, the Library refunds at least ninety percent of the unencumbered balance to the political subdivisions who provided the funds and retains the remainder. Ohio Revised Code § 3375.56 requires this "refund to relative income sources". The following tables present the refunded and retained amounts during 2007. At the end of 2005, the Library had an unencumbered balance of \$0, therefore no refunds occurred in 2006.

<b>Unencumbered Balance at December 31, 2006</b>	
<b>Refunded and Retained During Calendar Year 2007</b>	
Unencumbered Balance at December 31, 2006	\$14,884
Refunded to Relative Sources during 2007	13,396
Retained Funds Amount during 2007	<u>\$1,488</u>

**3. EQUITY IN POOLED CASH AND INVESTMENTS**

The Library maintains a cash and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

**CLARK COUNTY LAW LIBRARY ASSOCIATION  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006  
(Continued)**

**3. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)**

	<b>2007</b>	<b>2006</b>
Demand deposits and sweep account	\$1,042	\$807
Total deposits	1,042	807
Trust Account	426,504	410,933
Repurchase Agreement	81,852	64,558
Total investments	508,356	475,491
Total deposits and investments	\$509,398	\$476,298

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation. The sweep account is secured by a collateralized pool of federal treasury securities.

**Investments:** The Library has established a custodial account with their financial institution's trust department. Its investments consist primarily of bonds and mutual funds of government agencies.

**4. RETIREMENT SYSTEMS**

The Library's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2007 and 2006, OPERS members contributed 9.5 percent and 9 percent, respectively, of their gross salaries and the Library contributed an amount equaling 13.85 percent and 13.7 percent, respectively, of participants' gross salaries. The Library has paid all contributions required through December 31, 2007.

**5. RISK MANAGEMENT**

**Commercial Insurance**

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability; and
- Employee dishonesty.

**6. GENERAL FUND BALANCE RESTATEMENT**

It was determined that the General Fund December 31, 2005 Public Fund Cash Balance, in the amount of \$66,372, was composed of private monies. According to Note 1A, the financial statements do not present private monies therefore; the Board of Trustees approved on July 28, 2008 to restate the General Fund January 1, 2006 Public Fund Cash Balance to zero.

**This page intentionally left blank.**



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Clark County Law Library Association  
Clark County  
101 North Limestone Street  
Springfield, Ohio 45502-1190

To the Library Board of Trustees:

We have audited the financial statements of the Clark County Law Library Association, Clark County, (the Library) as of and for the year ended December 31, 2007 and 2006, and have issued our report thereon dated October 30, 2008, wherein we noted the Library followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We also disclosed the financial statements include only the general fund and the retained monies fund. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Library's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Library's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Library's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Library's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Library's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Library's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the Library's management in a separate letter dated October 30, 2008.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the Library's management in a separate letter dated October 30, 2008.

We intend this report solely for the information and use of the audit committee, management, and Library's Board of Trustees. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

October 30, 2008





**Mary Taylor, CPA**  
Auditor of State

**LAW LIBRARY ASSOCIATION**

**CLARK 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  
DECEMBER 2, 2008**