



Dave Yost • Auditor of State



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Ritter Public Library
Erie County
5680 Liberty Avenue
Vermilion, Ohio 44089-1198

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Ritter Public Library, Erie 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, 2013 and 2012, 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, 2013 and December 31, 2012 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2012 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2011 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2013 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2012 balances in the Fund Ledger Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2013 and December 31, 2012 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We observed the year-end bank balances on the financial institutions' websites. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2013 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2013 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 Payment Register Detail Report, to determine the debits were dated prior to December 31. We noted no exceptions.

6. We selected all reconciling credits (such as deposits in transit) from the December 31, 2013 bank reconciliation:
 - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
 - b. We agreed the credit amounts to the Receipt Detail Report. Each credit was recorded as a December receipt for the same amount recorded in the reconciliation.
7. We tested investments held at December 31, 2013 and December 31, 2012 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 Erie County Auditor Local Government Confirmation from 2013 and two from 2012. We also selected two PLF receipts from the Lorain County Auditor Distribution Summary Report from 2013 and two from 2012.

- a. We compared the amount from the above reports to the amount recorded in the Revenue Ledger 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 Revenue Ledger Report to determine whether it included one PLF receipt per County, per month for 2013 and 2012. We found no exceptions.

Property Taxes

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the *Statement*) from the Erie County Auditor for 2013 and one from 2012. We also selected a property tax receipt from one *Statement* from the Lorain County Auditor for 2013 and one from 2012:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Revenue Ledger 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 Revenue Ledger Report to determine whether it included two real estate tax receipts per County for 2013 and 2012. We noted the Revenue Ledger Report included the proper number of tax receipts for each year.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2011
2. We inquired of management, and scanned the Revenue Ledger Report and Payment Register Detail Report for evidence of debt issued during 2013 or 2012 or debt payment activity during 2013 or 2012. We noted no new debt issuances, nor any debt payment activity during 2013 or 2012.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2013 and one payroll check for five employees from 2012 from the Wage and Overtime Detail Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Wage and Overtime Detail Report to supporting documentation (timecard, legislatively-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files or 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. Departments and fund to which the check should be charged
 - d. Retirement system participation and payroll withholding
 - e. Federal, State and 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, 2013 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 2013. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare	January 31, 2014	December 20, 2013	\$4,997	\$4,997
State income taxes	January 15, 2014	December 24, 2013	903	903
City of Vermilion income tax	January 31, 2014	January 6, 2014	2,088	2,088
City of Sandusky income tax	January 31, 2014	January 6, 2014	67	67
OPERS retirement	January 30, 2014	January 15, 2014	17,632	17,632

4. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and compared the computation to the amount paid as recorded in the Payroll Register - Detail 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 actually paid as recorded in the Payroll Register – Detail Report was \$16.26 more than the amount we recomputed. The Fiscal Officer should review the accuracy of termination payments in order to determine they are made based on the Library's payout policy and accumulated leave records.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Payment Register Report for the year ended December 31, 2013 and ten from the year ended December 31, 2012 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 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 Payment Register Report for the years ended December 31, 2013 and 2012 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 Appropriation Status Report for 2013 and 2012 for the following funds: General and Edge Estate. The amounts on the appropriation measure agreed to the amounts recorded in the Appropriation Status Report for the Edge Estate Fund for 2013. In 2012 the Appropriation Status Report recorded total appropriations of \$1,193,829 and \$5,228 for the General and Edge Estate funds, respectively, while the appropriations as authorized by the Trustees were \$1,190,914 and \$5,278, respectively, resulting in variances of \$2,915 and \$50, respectively. In 2013 the Appropriation Status Report recorded total appropriations of \$1,373,700 for the General Fund, while the appropriations as authorized by the Trustees were \$1,361,827 resulting in a variance of \$11,873. The Fiscal Officer should periodically compare amounts recorded in the Appropriation Status Report to amounts authorized by the Board to assure they agree. If they amounts do not agree, the Board may be using inaccurate information for budgeting and monitoring purposes.
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, 2013 and 2012 for the General and Edge Estate fund, as recorded in the Appropriation Status Report, to total Board approved appropriations. 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

July 17, 2014

This page intentionally left blank.



Dave Yost • Auditor of State

RITTER PUBLIC LIBRARY

ERIE 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
AUGUST 19, 2014**