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740.695.1569

1310 Market Street, Suite 300  
Wheeling, WV 26003  
304.232.1358



**LOUDONVILLE PUBLIC LIBRARY  
ASHLAND COUNTY  
Agreed-Upon Procedures  
For the Years Ended December 31, 2016 and 2015**

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LOUDONVILLE PUBLIC LIBRARY  
ASHLAND COUNTY

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

May 5, 2017

Loudonville Public Library  
Ashland County  
122 East Main Street  
Loudonville, Ohio 44842

To the Board of Trustees:

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of **Loudonville Public Library, Ashland County** (the Library) and the Auditor of State, on the receipts, disbursements and balances recorded in the Library's cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Library. The Library is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Library. 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 recalculated the December 31, 2016 and December 31, 2015 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2015 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2014 balances in the prior year audited statements. We noted the fund balances did not agree due to the Library voiding an outstanding check from 2014 in 2015. We found no other exceptions. We also agreed the January 1, 2016 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2015 balances in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2016 and 2015 fund cash balances reported in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. The amounts agreed.

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### **Cash and Investments (Continued)**

4. We confirmed the December 31, 2016 bank account balances with the Library's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2016 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2016 bank reconciliation:
  - a. We traced each debit to the subsequent January and February bank statements. 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 all reconciling credits (such as deposits in transit) from the December 31, 2016 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 Revenue Ledger. Each credit was recorded as a December receipt for the same amount recorded in the reconciliation.
7. We inspected investments held at December 31, 2016 and December 31, 2015 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 haphazardly selected two Public Library Fund (PLF) receipts from the Ashland County Distribution Transaction List from 2016 and two from 2015. In addition, we haphazardly selected two PLF receipts from the Holmes County Cross Reference Report from 2016 and two from 2015. We also selected all PLF receipts from the Knox County Voucher Inquiry Report for 2016 and 2015.

- a. We compared the amounts from the Ashland County Distribution Transaction List, the Holmes County Cross Reference Report and the Knox County Voucher Inquiry Report to the amounts recorded in the Revenue Ledger. The amounts agreed.
- b. We inspected the Revenue Ledger and observed these receipts were posted to the General Fund. We found no exceptions.
- c. We inspected the Revenue Ledger and observed the receipts were recorded in the proper year. We found no exceptions.
- d. We inspected the Revenue Ledger to determine whether it included one PLF receipt per month for 2016 and 2015. We found no exceptions.

### **Over-The-Counter Cash Receipts**

We haphazardly selected 10 over-the-counter cash receipts from the year ended December 31, 2016 and 10 over-the-counter cash receipts from the year ended 2015 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the Revenue Ledger. The amounts agreed.

**Over-The-Counter Cash Receipts (Continued)**

- b. Inspected the Revenue Ledger to determine the receipt was posted to the proper fund, and was recorded in the proper year. We noted one receipt in 2016 and two receipts in 2015 were posted to the General Fund that should have been recorded in a separate Special Revenue Fund. We brought this to management's attention and recommended that when they receive money for a restricted purpose they post it to a separate Special Revenue Fund accordingly. An adjustment for this exception was not issued due to money that was received has already been expended in 2016 and 2015 for the restricted purpose. However, because we did not test all receipts, our report provides no assurance regarding whether or not other similar errors occurred. We found no other exceptions.

**Debt**

- 1. The prior audit documentation disclosed no debt outstanding as of December 31, 2014.
- 2. We inquired of management, and inspected the Revenue Ledger and Appropriation Ledger for evidence of debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. We noted no new debt issuances, nor any debt payment activity during 2016 or 2015.

**Payroll Cash Disbursements**

- 1. We haphazardly selected one payroll check for five employees from 2016 and one payroll check for five employees from 2015 from the Wage Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Reports to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We inspected the fund and account codes to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the minute record. We also confirmed whether 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, 2016 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 2016. We noted 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, 2017	December 29, 2016	\$1,260.17	\$1,260.17
State income taxes	January 15, 2017	December 28, 2016	\$430.98	\$430.98
Local income tax - City of Ashland	January 31, 2017	January 28, 2017	\$867.86	\$867.86
Local income tax - City of Loudonville	January 31, 2017	January 28, 2017	\$19.50	\$19.50

**Payroll Cash Disbursements (Continued)**

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
School income taxes	January 15, 2017	December 28, 2016	\$191.04	\$191.04
OPERS retirement	January 30, 2017	February 14, 2017	\$5,848.42	\$5,848.42

As noted above, the Library did not remit OPERS withholdings on time.

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 Wage 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 paid was consistent with the information recorded in a. through c. above.

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Appropriation Ledger for the year ended December 31, 2016 and ten from the year ended 2015 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 Appropriation Ledger 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.

**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 2016 and 2015 for the following funds: General Fund and Donation Fund. The amount per approved appropriations did not agree with the Appropriation Status Report for the General Fund in 2016. The amount per the approved appropriations was \$1,161,930 and the amount per the Appropriation Status Report was \$1,135,875. We also noted the amount per approved appropriations did not agree with the Appropriation Status Report for the General and Donation Funds in 2015. The amounts per the approved appropriations for the General and Donation Funds were \$1,102,735 and \$15,992 and the amounts per the Appropriation Status Report were \$1,128,072 and \$18,983, respectively. We found no other exceptions.
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, 2016 and 2015 for the General and Donation Fund, as recorded in the Appropriation Status Report. 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 within 60 days after the close of the fiscal year. We confirmed the Library filed their complete financial statements as defined by AOS Bulletin 2016-007 within the allotted timeframe for the years ended December 31, 2016 and 2015. No exceptions noted.

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*. 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 for the use of the Library to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2016 and 2015, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio

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# Dave Yost • Auditor of State

LOUDONVILLE PUBLIC LIBRARY

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  
JULY 6, 2017