



Dave Yost • Auditor of State

**SOUTHEAST REGIONAL LIBRARY SYSTEM
JACKSON COUNTY**

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INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Southeast Regional Library System
Jackson County
252 W. 13th Street
Wellston, Ohio 45692

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Southeast Regional Library System, Jackson 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 June 30, 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 June 30, 2013 and June 30, 2012 bank reconciliations. We found no exceptions.
2. We agreed the July 1, 2011 beginning fund balances recorded in the Monthly Fund Report to the June 30, 2011 balances in the prior year audited statements. We found no exceptions. We also agreed the July 1, 2012 beginning fund balances recorded in the Monthly Fund Report to the June 30, 2012 balances in the Monthly Fund Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the June 30, 2013 and 2012 fund cash balances reported in the Monthly Fund Report. The amounts agreed.
4. We confirmed the June 30, 2013 bank account balances with the Library's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the June 30, 2013 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the June 30, 2013 bank reconciliation:
 - a. We traced each debit to the subsequent July bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to June 30. We noted no exceptions.

Cash and Investments (Continued)

6. We tested interbank account transfers occurring in June of 2013 and 2012 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.
7. We tested investments held at June 30, 2013 and June 30, 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.

Intergovernmental Receipts

We selected all receipts from the State Distribution Transaction Lists (DTL) from fiscal years 2013 and 2012.

- a. We compared the amount from the above reports to the amount recorded in the Revenue Entry journal. The amounts agreed.
- b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
- c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of June 30, 2011.
2. We inquired of management, and scanned the Revenue Entry Journal and Monthly Check Register Report for evidence of debt issued during fiscal years 2013 or 2012 or debt payment activity during fiscal years 2013 or 2012. We noted neither new debt issuances, nor any debt payment activity during fiscal years 2013 or 2012.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for each employee from fiscal year 2013 and one payroll check for each employee from fiscal year 2012 from the Payroll Summary Report and:
 - a. We compared the hours and pay rate or salary recorded in the Payroll Summary Report to supporting documentation (timecard, legislatively approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account code to which the checks were posted was reasonable based on the employees' duties as documented in the Southeast Regional Library System Charter. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended June 30, 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 fiscal year 2013. We noted the following:

Payroll Cash Disbursements (Continued)

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	7/31/13	7/3/13	\$1,941	\$1,941
State income taxes	7/15/13	6/18/13	\$420	\$420
Local income tax	7/31/13	6/18/13	\$169	\$169
OPERS retirement	7/31/13	7/2/13	\$2,024	\$2,024

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Monthly Check Register Report for the year ended June 30, 2013 and ten from the year ended June 30, 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 bank statement's check image agreed to the check number, date, payee name and amount recorded in the Monthly Check 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.

Compliance – Budgetary

1. We compared total appropriations required by Ohio Admin. Code Section 117-8-02, to the amounts recorded in the Monthly Financial Statement Report for 2013 and 2012 for the following funds: General Fund and State Grant Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Monthly Financial Statement Report.
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 June 30, 2013 and 2012 for the General Fund and State Grant Fund, as recorded in the Monthly Financial Statement Report. 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

October 4, 2013

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SOUTHEAST REGIONAL LIBRARY SYSTEM

JACKSON 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
NOVEMBER 7, 2013