



OHIO AUDITOR OF STATE
KEITH FABER



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Oak Harbor Public Library
Ottawa County
147 West Main Street
Oak Harbor, Ohio 43449-1344

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Oak Harbor Public Library, Ottawa County, Ohio (the Library), on the receipts, disbursements and balances recorded in the Library's cash-basis accounting records for the years ended December 31, 2018 and 2017 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, 2018 and 2017 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, 2018 and December 31, 2017 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2017 beginning fund balance recorded in the Cash Journal Report to documentation in the prior year agreed-upon procedures working papers. We found no exceptions. We also agreed the January 1, 2018 beginning fund balance recorded in the Cash Journal Report to the December 31, 2017 balance in the Cash Journal Report. We found no exceptions.
3. We agreed the total per the bank reconciliations to the December 31, 2018 fund cash balance reported in the Fund Status Report. We also agreed the total per the bank reconciliation to the December 31, 2017 fund cash balance reported in the Cash Journal Report. The amounts agreed.
4. We confirmed the December 31, 2018 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, 2018 bank reconciliation without exception.
5. We selected a sample (agreed upon) of five reconciling debits (such as outstanding checks) from the December 31, 2018 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 check register, to determine the debits were dated prior to December 31. There were no exceptions.

6. We inspected investments held at December 31, 2018 and December 31, 2017 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 Ottawa County Local Government Confirmation from 2018 and two from 2017.

- a. We compared the amount from the Ottawa County Local Government Confirmation to the amount recorded in the Receipt Detail Report (subsequent to September 30, 2018) and Receipt Ledger Report (prior to September 30, 2018). The amounts agreed.
- b. We inspected the Receipt Detail Report (subsequent to September 30, 2018) and Receipt Ledger Report (prior to September 30, 2018) and observed the receipts were recorded in the proper year. We found no exceptions.
- c. We inspected the Receipt Detail Report (subsequent to September 30, 2018) and Receipt Ledger Report (prior to September 30, 2018) to determine whether it included one PLF receipt per month for 2018 and 2017. We found no exceptions.

Property Taxes

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes (the Statement)* for 2018 and one from 2017:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Ledger Report. The amounts agreed.
 - b. We inspected the Receipt Ledger Report to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the Receipt Detail Report (subsequent to September 30, 2018) and Receipt Ledger Report (prior to September 30, 2018) to determine whether they included two real estate tax receipts for 2018 and 2017. The Receipt Detail Report and Receipt Ledger Report included the proper number of tax receipts for each year.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2016.
2. We inquired of management, and inspected the Receipt Detail Report (subsequent to September 30, 2018) and Receipt Ledger Report (prior to September 30, 2018) and Payment Register Detail Report (subsequent to September 30, 2018) and Appropriation Ledger Report (prior to September 30, 2018) for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. There were no new debt issuances, nor any debt payment activity during 2018 or 2017.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2018 and one payroll check for five employees from 2017 from the Wage Detail Report (subsequent to September 30, 2018) and Payroll Earnings Summary Report (prior to September 30, 2018) and:
 - a. We compared the hours and pay rate, or salary recorded in Wage Detail Report (subsequent to September 30, 2018) and Payroll Earnings Summary Report (prior to September 30, 2018) to supporting documentation (timecard, legislatively-approved rate or salary). We found no exceptions.
 - b. We inspected the account codes to which the check was posted to determine the posting was reasonable based on the employee's duties as documented in the employee's personnel file. We also confirmed 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, 2018 to confirm 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 2018. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare	January 31, 2019	January 13, 2019	\$1,719	\$1,719
State income taxes	January 15, 2019	January 13, 2019	363	363
Local income tax	January 31, 2019	January 23, 2019	441	441
OPERS retirement	January 30, 2019	January 30, 2019	5,892	5,892

3. We 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. From the Appropriation Ledger Report, we re-footed checks recorded as *business administration* and checks recorded as *facilities operations and maintenance* for 2017 and checks recorded as *salaries* and checks recorded as *purchases and contractual services* for the period January 1, 2018 through September 30, 2018. We found no exceptions.
2. We selected a sample (agreed upon) of ten disbursements from the Payment Register Detail Report (subsequent to September 30, 2018) and Appropriation Ledger Report (prior to September

30, 2018) for the year ended December 31, 2018 and ten from the Appropriation Ledger Report for the year ended December 31, 2017 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 Detail Report (subsequent to September 30, 2018) and Appropriation Ledger Report (prior to September 30, 2018) and to the names and amounts on the supporting invoices. We found no exceptions.
3. We inspected the Payment Register Detail Report (subsequent to September 30, 2018) and Appropriation Ledger Report (prior to September 30, 2018) for the year ended December 31, 2018 and the Appropriation Ledger Report for 2017 and determined that the proceeds from the levy passed under Ohio Rev. Code Section 5705.23, were used for the purposes 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 2018 and the Appropriation Ledger Report for 2017. The amounts on the appropriation measures agreed to the amounts recorded in the Appropriation Status Report and Appropriation Ledger 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 December 31, 2018 and 2017, as recorded in the Appropriation Status Report and Appropriation Ledger Report, respectively. We observed no instances in which expenditures exceeded appropriations.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires libraries to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the HINKLE System. We confirmed the Library filed its complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the year ended December 31, 2018 in the HINKLE system. The 2017 HINKLE system filing was originally completed on February 21, 2018, but did not contain financial statements as required. An updated filing was completed on April 9, 2019.
2. For all credit card accounts we obtained:
 - copies of existing internal control policies,
 - a list of authorized users, and
 - a list of all credit card account transactions.
 - a. We selected three credit card transactions for testing. For selected transactions we inspected documentation to determine that:
 - i. Use was by an authorized user within the guidelines established in the policy,
and

- ii. Each transaction was supported with original invoices and for a proper public purpose.

We found no exceptions.

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, or review, the objective of which would be the expression of an opinion or conclusion, respectively on the Library's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in the evaluation of the Library's receipts, disbursements and balances recorded in its cash-basis accounting records for the years ended December 31, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Keith Faber
Auditor of State

Columbus, Ohio

May 13, 2019

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OAK HARBOR PUBLIC LIBRARY

OTTAWA 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
JUNE 4, 2019**