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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Plain City Public Library
Madison County
305 W Main Street
Plain City, Ohio 43064

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Plain City Public Library (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 balances recorded in the UAN Cash Summary Report to the December 31, 2016 balances in the prior year Agreed-Upon Procedures working papers. The January 1, 2017 beginning fund balance was adjusted in the amount of \$1,386 due to the voiding of a prior year check. The adjustment is reasonable and we found no exceptions. We also agreed the January 1, 2018 beginning fund balances recorded in the UAN Cash Summary Report to the December 31, 2017 balances in the UAN Cash Summary Report. The January 1, 2018 beginning fund balance was adjusted in the amount of \$2,194 due to an auto payment reversal from an overpayment in December of 2017. The adjustment is reasonable and we found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2018 and 2017 fund cash balances reported in the UAN Cash Summary Report. The amounts agreed.

Cash and Investments (Continued)

4. We confirmed the December 31, 2018 bank account balances with the Library's financial institutions. We found no exceptions. We also observed the year-end bank balance on the financial institution's website for one of the Library's accounts. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2018 bank reconciliation without exception.
5. We selected a non-statistical sample of five reconciling debits (such as outstanding checks) from the December 31, 2018 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. 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 performed a non-statistical sample selecting two Public Library Fund (PLF) receipts from the County Library Distribution Reports from 2018 and two from 2017.

- a. We compared the amount from the County Library Distribution Report to the amount recorded in the UAN Receipt Export. The amounts agreed.
- b. We inspected the UAN Receipt Export and observed these receipts were posted to the General Fund. We found no exceptions.
- c. We inspected the UAN Receipt Export and observed the receipts were recorded in the proper year. We found that one PLF receipt from Union County was not recorded in the proper year. The receipt in the amount of \$16,823 was improperly recorded in January of 2018 rather than December of 2017.
- d. We inspected the UAN Receipt Export to determine whether it included one PLF receipt per month for 2018 and 2017. We found no exceptions.

Property Taxes

1. We performed a non-statistical sample selecting 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 UAN Receipt Export. We also traced the advances noted on the Statement to the UAN Receipt Export. The amounts agreed.
 - b. We inspected the UAN Receipt Export to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the UAN Receipt Export to determine whether it included two real estate tax receipts plus advances for 2018 and 2017. The UAN Receipt Export 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 UAN Receipt Export and UAN Payment Export 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 h performed a non-statistical sample selecting one payroll check for five employees from 2018 and one payroll check for five employees from 2017 from the UAN Wage Detail Report and:
 - a. We compared the hours and pay rate, or salary recorded in the UAN Wage Detail Report 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 approved payroll spreadsheet. 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 & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2019	January 14, 2019	\$ 3,182.04	\$ 3,182.04
State income taxes	January 15, 2019	January 15, 2019	\$ 823.93	\$ 823.93
Local income tax	January 31, 2019	January 11, 2019	\$ 550.52	\$ 550.52
School District Tax	January 30, 2019	January 21, 2019	\$ 381.22	\$ 381.22
OPERS retirement	January 30, 2019	January 21, 2019	\$ 5,351.51	\$ 5,351.51

Non-Payroll Cash Disbursements

1. We performed a non-statistical sample selecting ten disbursements from the UAN Payment Export for the year ended December 31, 2018 and ten from the year ended 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 UAN Payment Export 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 2018 and 2017 for the following funds: General Fund and Capital Projects Fund. The 2018 amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status Report. In 2017, the amount recorded in the Appropriation Status Report for the General Fund was understated by \$9,000 and the amount recorded for the Capital Projects Fund was overstated by \$9,000.
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 for the General, and Capital Projects fund, as recorded in the Appropriation Status Report. We observed that no funds for 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 their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2018 and 2017 in the Hinkle system. There were no exceptions.
2. For all credit card accounts we obtained:
 - copies of existing internal control policies,
 - a list(s) of authorized users, and
 - a list of all credit card account transactions.
 - a. We inspected the established policy obtained above and determined it is:
 - i. in compliance with the HB 312 statutory requirements, and
 - ii. implemented by the Library.
 - b. We selected 5 credit card transactions made by employees and 3 credit card transactions from the Director and Fiscal Officer 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 related to procedures a. and b. above.

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.

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This report is to provide assistance in the evaluation of the Library's receipts, disbursements and balances recorded in their 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.

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

Keith Faber
Auditor of State

Columbus, Ohio

May 7, 2019

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OHIO AUDITOR OF STATE KEITH FABER



PLAIN CITY PUBLIC LIBRARY

MADISON 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