# TABLE OF CONTENTS

**PREFACE** ........................................................................................................................................... v

**LIBRARY ACCOUNTING DIVISION** ............................................................................................... vi

**OHIO PUBLIC LIBRARY FUNDING HISTORY** ............................................................................... vii

**CHAPTER 1 - FISCAL OFFICER POSITION** .................................................................................. 1
Legal Aspects ........................................................................................................................................ 1
Types of Libraries and Taxing Authorities ....................................................................................... 1
Duties as Defined by Ohio Revised Code ......................................................................................... 2
Library Management ....................................................................................................................... 2
Fiscal officer Oath of Office ............................................................................................................... 3

**CHAPTER 2 - GOVERNMENTAL FUND ACCOUNTING** ................................................................. 4
Basics of Governmental Fund Accounting ..................................................................................... 4
Fund Types ......................................................................................................................................... 4
Sources of Income ........................................................................................................................... 5

**CHAPTER 3 – BUDGETING** ........................................................................................................... 6
Budget Procedures ........................................................................................................................... 6
Tax Budget ........................................................................................................................................ 8
Official Certificate of Estimated Resources .................................................................................... 8
Certificate of Total Amount from All Sources Available for Expenditure and Balances ............ 8
Annual Appropriations Resolution ................................................................................................... 9
Transfers ............................................................................................................................................ 9
Contingency ...................................................................................................................................... 9

**CHAPTER 4 – PURCHASING** ....................................................................................................... 10
Requisitions, Purchase Orders, and Encumbering ....................................................................... 10
Special Purchasing .......................................................................................................................... 10
Bidding ............................................................................................................................................ 11

**CHAPTER 5 – EXPENDING** ........................................................................................................ 12
Accounts Payable Checks ............................................................................................................. 12
Tax Exemption ................................................................................................................................ 12
Petty Cash and Change Funds ....................................................................................................... 12
Transfers and Advances ............................................................................................................... 12

**CHAPTER 6 – PAYROLL** ............................................................................................................... 13
Direct Deposit ............................................................................................................................... 13
Forms ............................................................................................................................................. 13
Minimum Wage ............................................................................................................................. 15
Recording of Time Worked ........................................................................................................... 15
Deceased Employee Payroll Processing ...................................................................................... 16
Required Reporting ....................................................................................................................... 17
Fringe Benefits .............................................................................................................................. 20
Leave Benefits ............................................................................................................................... 20
Required Postings .......................................................................................................................... 21
<table>
<thead>
<tr>
<th>Chapter Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHAPTER 7 - BANKING AND INVESTMENTS</td>
<td>22</td>
</tr>
<tr>
<td>Continuing Education Requirements</td>
<td>22</td>
</tr>
<tr>
<td>Depository Agreements</td>
<td>22</td>
</tr>
<tr>
<td>Pledged Collateral</td>
<td>23</td>
</tr>
<tr>
<td>Investments and Investment Policy</td>
<td>23</td>
</tr>
<tr>
<td>CHAPTER 8 – INSURANCE</td>
<td>25</td>
</tr>
<tr>
<td>Types of Insurance</td>
<td>25</td>
</tr>
<tr>
<td>Writing a RFP for Insurance Coverage</td>
<td>25</td>
</tr>
<tr>
<td>Inventory of Fixed Assets</td>
<td>27</td>
</tr>
<tr>
<td>CHAPTER 9 - RECORDS RETENTION AND MANAGEMENT</td>
<td>29</td>
</tr>
<tr>
<td>Records Retention</td>
<td>29</td>
</tr>
<tr>
<td>Access to Public Records</td>
<td>29</td>
</tr>
<tr>
<td>CHAPTER 10 – CONSTRUCTION</td>
<td>31</td>
</tr>
<tr>
<td>Financial Procedures</td>
<td>31</td>
</tr>
<tr>
<td>CHAPTER 11 - OPEN MEETINGS ACT</td>
<td>34</td>
</tr>
<tr>
<td>Open Meetings Act</td>
<td>34</td>
</tr>
<tr>
<td>CHAPTER 12 – AUDITING</td>
<td>36</td>
</tr>
<tr>
<td>Audit Materials</td>
<td>36</td>
</tr>
<tr>
<td>CHAPTER 13 – REPORTING</td>
<td>41</td>
</tr>
<tr>
<td>Financial Reporting Basis: Cash vs. GAAP</td>
<td>41</td>
</tr>
<tr>
<td>Financial Reports</td>
<td>41</td>
</tr>
<tr>
<td>GAAP Look-A-Like Reporting (OCBOA)</td>
<td>42</td>
</tr>
<tr>
<td>Government-Wide Financial Statements</td>
<td>44</td>
</tr>
<tr>
<td>Government Fund Financial Statements</td>
<td>44</td>
</tr>
<tr>
<td>GASB 54</td>
<td>45</td>
</tr>
<tr>
<td>CHAPTER 14 – ETHICS</td>
<td>48</td>
</tr>
<tr>
<td>Ethics Responsibilities</td>
<td>48</td>
</tr>
<tr>
<td>CHAPTER 15 – OTHER</td>
<td>49</td>
</tr>
<tr>
<td>Legal Counsel</td>
<td>49</td>
</tr>
<tr>
<td>Automated Financial Accounting</td>
<td>49</td>
</tr>
<tr>
<td>Disaster Recovery Plan for Financial Functions - Guidelines</td>
<td>49</td>
</tr>
<tr>
<td>APPENDICES</td>
<td>51</td>
</tr>
<tr>
<td>APPENDIX A AGENCIES, PROFESSIONAL ORGANIZATIONS, AND WEB SITES</td>
<td>51</td>
</tr>
<tr>
<td>APPENDIX B ANNUAL APPROPRIATION RESOLUTION SAMPLE</td>
<td>55</td>
</tr>
<tr>
<td>APPENDIX C ANNUAL FINANCIAL REPORT NOTICE WORDING SAMPLE</td>
<td>61</td>
</tr>
<tr>
<td>APPENDIX D BID REJECTION NOTIFICATION SAMPLE</td>
<td>62</td>
</tr>
<tr>
<td>APPENDIX E BUDGET SHEET FOR YEAR SAMPLE</td>
<td>63</td>
</tr>
<tr>
<td>APPENDIX F CALENDAR OF REPORTING DATES</td>
<td>71</td>
</tr>
<tr>
<td>APPENDIX G CREDIT CARD POLICY SAMPLE 1</td>
<td>74</td>
</tr>
<tr>
<td>APPENDIX H CREDIT CARD POLICY SAMPLE 2</td>
<td>75</td>
</tr>
<tr>
<td>APPENDIX I DESIGN PROFESSIONAL NOTICE SAMPLE</td>
<td>78</td>
</tr>
<tr>
<td>APPENDIX J DISASTER PLAN SAMPLE</td>
<td>79</td>
</tr>
<tr>
<td>Appendix</td>
<td>Description</td>
</tr>
<tr>
<td>----------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>K</td>
<td>INVESTMENT POLICY SAMPLE 1</td>
</tr>
<tr>
<td>L</td>
<td>INVESTMENT POLICY SAMPLE 2</td>
</tr>
<tr>
<td>M</td>
<td>COMPANIES PROVIDING ASSET TAGGING AND VALUATION SERVICES</td>
</tr>
<tr>
<td>N</td>
<td>PROPERTY TAX AFFIDAVIT SAMPLE</td>
</tr>
<tr>
<td>O</td>
<td>RECORD RETENTION POLICY AND SCHEDULE SAMPLE</td>
</tr>
<tr>
<td>P</td>
<td>REQUEST FOR BANKING SERVICES PROPOSAL SAMPLE</td>
</tr>
<tr>
<td>Q</td>
<td>REQUEST FOR INSURANCE PROPOSALS</td>
</tr>
<tr>
<td>R</td>
<td>REQUISITION FORM SAMPLE</td>
</tr>
<tr>
<td>S</td>
<td>GLOSSARY OF TERMS</td>
</tr>
</tbody>
</table>
PREFACE

The Library Accounting Division of the Ohio Library Council is proud to present the *Ohio Public Library Accounting Handbook*. We hope that this handbook is a useful tool in navigating the arena of library accounting. **Please remember that this handbook does not constitute legal advice. Information is for guidance and suggestion only. Always consult your legal counsel for guidance on legal issues.**

Please use this handbook and forward comments and suggestions for future revisions by mailing your suggestions to:

Ohio Library Council  
Attn: Library Accounting Updates  
1105 Schrock Road  
Columbus, OH 43229-1174  
Phone: 614-410-8092

**Revision Committee**

Kelly Boggs, Fiscal Officer  
North Canton Public Library

Angela Cox, Fiscal Officer  
Delaware County District Library

Margaret Doone, Chief Fiscal Officer/Business Manager  
Worthington Libraries

Dewitt Harrell  
DDHX Enterprises

Robert Maurer, Fiscal Officer  
Rockford Carnegie Library

Debra Schenk, Fiscal Officer  
Wright Memorial Public Library

Michelle Stahl, Fiscal Officer  
Paulding County Library

James Wilkins, Fiscal Officer  
Warren-Trumbull County Public Library
LIBRARY ACCOUNTING DIVISION
OF THE OHIO LIBRARY COUNCIL

The purpose of the Library Accounting Division is to address the special interests and continuing education needs of library accounting personnel and others interested in the accounting function within the library; to update the Library Accounting Handbook as needed; to work with the State Auditor’s office on problems and issues in library accounting; and to provide publications on areas of interest.

UNIT OBJECTIVES

- Promote the professional image of library accounting personnel.
- Promote membership and interest in the Library Accounting Division.
- Periodically update the Ohio Public Library Accounting Handbook.
- To work with the OLC executive office and appropriate government agencies to develop continuing education for library accounting personnel.
- Provide networking opportunities.
- Provide a means of communication within the library community.

http://www.olc.org/LibraryAccounting.php
OHIO PUBLIC LIBRARY FUNDING HISTORY

CURRENT STATUS

With the national economy beginning to recover, state revenue is also increasing slightly. Beginning in 2011, the Public Library Fund (PLF) finally started to experience a small amount of growth. However, the state was still experiencing a significant projected budget deficit fueled primarily by Medicaid and education costs. Again the PLF was the target of the budget ax, in FY 12 and FY 13 the PLF was frozen at 2010 levels and then cut 5%. In addition, the FY 12-13 biennium budget legislation required that the existing 2.2% PLF percentage be recalculated for the FY 14-15 budget on June 30, 2013. The expectation of the Office of Budget and Management (OBM) and General Assembly was that the reset allocation would provide a restoration of some modest growth in the PLF to offset the decline that resulted from temporary cuts and freezes in recent years.

Unfortunately, the date used to reset the PLF percentage was just prior to the passage of sweeping tax reforms when the PLF was at a low point and state’s revenue was at a high point. The PLF percentage was reset to 1.66% of the GRF. As a result, Ohio’s public libraries will experience a nearly 4% reduction in revenue in 2014 with less revenue than projected in the following years, instead of the 3.9% growth projected in HB 53 budget documents.

EARLY HISTORY

The history of public library funding in Ohio traces the growing commitment of its citizens to the importance of life-long learning. In 1817, the Ohio General Assembly enacted legislation providing for the incorporation of public libraries, but provided no financial support. The School Act of 1853 codified local tax support for public schools, and some of that tax money was used to create school libraries, which were open to the public. In 1869, legislation was passed that authorized municipalities to open and maintain free public libraries. This legislation made it possible for communities to apply for Carnegie grants in the early 1900s.

ANDREW CARNEGIE

The Carnegie “free library” program provided funds for the construction of 1,689 public libraries in 1,419 communities across the United States. Communities requesting a Carnegie library were required to provide a site and pledge an annual appropriation for books and maintenance. The pledge would usually amount to 10% of the Carnegie gift. The size of the Carnegie gift was based on the population of the town – usually $2 per capita.

Ohio built 106 public libraries with Carnegie grants and many of these libraries continue to serve their communities today. As an example, in 1901 the main library in Columbus received a grant for $200,000. That building, with the words “Open To All” etched in the stone above the front door, has remained an integral part of downtown Columbus.

STATE SUPPORT

Beginning in 1933, public libraries in Ohio were supported almost entirely from revenues from the intangible personal property tax. This was a tax levied on individuals’ holdings of intangible assets – mainly stocks and bonds. Though the tax was state-imposed and applied uniformly throughout Ohio, it was collected locally. The revenue remained in the county of origin, where it was distributed to library systems in that county in accordance with “need.”
This system of library finance, unique in the United States, had several results. Some counties, because of large holdings of taxable intangible property or vigorous local tax enforcement efforts, realized great revenue. Others received very little. By the late 1960s, some of Ohio’s largest library systems were justly renowned for the strength of their collections, the breadth and variety of services offered, and their qualified professional staff. However, there were many areas of Ohio where public library service was virtually nonexistent. In Adams County, with a 1970 population of about 19,000, the public library service consisted of two small local libraries that received a total of only $19,100.

**LIBRARY AND LOCAL GOVERNMENT SUPPORT FUND**

In 1983, the Ohio General Assembly repealed the intangible personal property tax based on recommendations from a bi-partisan study of the state’s entire tax system.

Governor Richard Celeste then created the Public Library Financing and Support Committee, consisting of members of the House and Senate, public library directors, the dean of the Kent State University School of Library Science, teachers, and financial experts, to determine how the state should replace the intangible personal property tax funding for public libraries.

This committee determined that the monetary loss libraries experienced through the repeal of the intangible personal property tax was equal to 6.3% of Ohio’s personal income tax revenue. Therefore, 6.3% of Ohio’s personal income tax receipts were earmarked for the Library and Local Government Support Fund (LLGSF).

The Public Library Finance and Support Committee set forth two goals for the state’s library fund distribution plan: 1. To preserve excellence in existing service; and 2. To improve library service in underfunded and underserved areas. To accomplish these goals, the distribution formula divided the LLGSF among all of the state’s 88 counties in two ways. First, the formula guaranteed each county the amount of revenue received from the fund in the preceding year plus an adjustment for inflation. This part of the distribution was called the “guarantee share.” Second, if any money remained in the fund after paying each county’s guarantee share, then that remainder was distributed according to an “equalization ration.” The equalization aspect of the formula distributes the excess over the guarantee in inverse proportion to per capita funding levels among the counties – those counties which received less per capita in the guarantee share, received more in the equalization share. Thus, over time, the distribution to counties began to balance.

**FUNDING FREEZE (1991)**

In July 1991, in response to a weakening economy and a state budget crisis, Governor George Voinovich froze the LLGSF in H.B. 298, the biennial budget bill. This freeze was to take place over a 12-month period and a partial “thaw” for six months after that. However, before the thaw ever began, it was replaced by another six-month total freeze in H.B. 904, the budget corrections bill enacted in December 1992. This freeze denied $31.6 million in expected revenues to the LLGSF.

**LIBRARY GROWTH**

As the economy began to recover in 1993, and personal income tax revenues began to grow, the Ohio General Assembly passed legislation that reduced the 6.3% set aside for public libraries to 5.7%. The 1993 tax distribution was the first year that the LLGSF was set at 5.7% in permanent law. From 1993 through December 2001, the LLGSF experienced
increases parallel to economic growth experienced in the state budget. Over that time period, the LLGSF grew from $284,700,000 to $496,458,342. In addition to these levels of growth, the state passed a temporary income tax reduction and held harmless the public libraries by establishing an Income Tax Reduction Replacement Fund. This fund returned to the LLGSF from the General Revenue Fund an amount equal to the income tax reduction each year.

**FUNDING FREEZE (2002-2007)**

Beginning in January 2001, it became clear the country was beginning a decline in economic growth. The state began cutting state agency budgets and proposed a no-growth biennium budget. The state’s fiscal year FY 02-03 biennium budget called for the LLGSF to be frozen to the distribution levels of July 2000 – June 2001, and to divert the money necessary to fund the Ohio Public Library Information Network (OPLIN) from the LLGSF.

As the national economy continued its downward trend in the second half of 2001, it became increasingly clear that additional cuts in the state budget were going to be necessary. Again, state agencies and programs endured across the board cuts. In the budget corrections bill (H.B. 405) for FY 02-03 introduced in October 2001, the three local government funds including the LLGSF were initially slated for a 6% cut in funding. Instead, the General Assembly agreed to allow the LLGSF to collect 5.7% of the personal income tax or the freeze amount, whichever was less. The result was that libraries collected the frozen amount of money each month, but an adjustment was made in March ($5 million) and July ($31 million) of 2002 because the freeze amount that was distributed exceeded the amount of money libraries would have collected at 5.7% of the personal income tax.

The decline in the economy continued throughout the rest of the biennium. Early in 2003, it was apparent that the state budget was still out of balance, despite previous budget corrections bills. To respond to this continuing budget problem, the Ohio General Assembly passed another budget corrections bill, H.B. 40. This legislation allowed the Governor to reduce library funding by an additional $10 million.

The 2004-2005 biennium budget (H.B. 95) had a proposal to return public library funding to its permanent law percentage of 5.7% with a 2% growth cap. Unfortunately, alterations were made to the proposal and the LLGSF remained frozen at the 2002 distribution levels. In the 2006-2007 biennium state budget, library funding was frozen as it had been since 2004.

**PUBLIC LIBRARY FUND (PLF)**

On June 30, 2007, Governor Ted Strickland signed into law the state’s FY 08-09 biennium budget and, with it, began a new era of anticipated stability and the opportunity for growth in public library funding in Ohio. As of January 2008, Ohio’s public libraries were funded through 2.22% of the state’s total general tax revenue. The new funding source broadened the base of library funding to all General Revenue tax.

In addition, S.B. 185 changed the name of the Library and Local Government Support Fund to the Public Library Fund effective June 20, 2008. The name change more clearly identifies the purpose of these funds.

In September 2008, the nation’s economy began heading toward its historic crash and, with it, went the budgets of every state government including Ohio’s. August 2008 was the last month that the Public Library Fund (PLF) had a small amount of growth. The PLF was funded
with 2.22% of the total tax revenue received by the state, but as state tax revenues were forecasted to decline, so was the funding for the PLF. It was clear that along with the economy, library funding from the state was in a downward spiral.

In January 2009, as Governor Strickland was putting the finishing touches on H.B. 1, the FY 10-11 biennium budget, it was still unclear just how far the economy would deteriorate. The PLF was projected to lose 15-20% just based on the declining state revenue.

On June 19, 2009, as H.B. 1 languished in Conference Committee, Governor Strickland held his “Budget Framework” press conference where he announced a series of recommendations to the legislature to balance the state’s budget. The two largest proposed cuts were a reduction in the state’s employer contribution share of OPERS and a 30% reduction in funding to the PLF, in addition to the already projected 15-20% loss (projected to cost libraries more than $200 million).

The patrons of public libraries were stunned and mounted an unprecedented response to this proposal. Quickly, the Ohio General Assembly rejected the Governor’s proposal.

Instead, legislators reduced the PLF funding percentage from 2.22% to 1.97%. The result of this was an 18% loss in funding in 2009 for public libraries. The decline in library state funding for public libraries continued in 2010 because state revenues did not rebound. As of December 2010, public libraries received nearly 23% less than they did in 2008.
Chapter 1
FISCAL OFFICER POSITION

LEGAL ASPECTS

Ohio Revised Code (ORC) 3375.32 (http://codes.ohio.gov/orc/3375.32) requires a board of library trustees to elect a clerk for a one-year term at its organizational meeting held in January of each year, and ORC 3375.36 (http://codes.ohio.gov/orc/3375.36) originally stated that the clerk of the board of library trustees shall be the treasurer of the library funds, from which developed the commonly used, hyphenated term, “clerk-treasurer.” Senate Bill 185 changed the title of clerk-treasurer to library fiscal officer effective June 20, 2008.

ORC 3375.39 (http://codes.ohio.gov/orc/3375.39) states that “at the expiration of the term of a fiscal officer of a board of library trustees of a free public library or before such board approves the surety of any fiscal officer, such board shall require the fiscal officer to produce all money, bonds, or other securities in his hands, which shall then be counted by the board or a committee of the board, or by a representative of the Auditor of State. A certificate setting forth the exact amount of such money, bonds, or other securities and signed by the representatives making such count shall be entered upon the records of the board and shall be prima facie evidence that the amount stated in such certificate is actually in the treasury at that date.” The Auditor of State may charge a fee for this service.

Salary and surety bond amounts are established by the library board from organizational meeting to organizational meeting (ORC 3375.32 - http://codes.ohio.gov/orc/3375.32). A bond is required by that section.

Upon the changing of personnel for the fiscal officer position, the library should complete a cash count, record starting check numbers and purchase order number(s), and review any other internal control areas with which the board of library trustees or state auditors may have concerns. ORC 3375.39 (http://codes.ohio.gov/orc/3375.39) requires an accounting of funds at the end of each term. If you would like the Auditor of State Office to perform this duty, a contract for agreed upon procedures would need to be signed. Another option would be to ask your audit committee to perform this procedure.

TYPES OF LIBRARIES AND TAXING AUTHORITIES

Six types of libraries may exist in Ohio. A library’s taxing authority is the entity or entities that formed the library.

<table>
<thead>
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<th>Library Type</th>
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<td>County Free Public Library</td>
<td>County</td>
</tr>
<tr>
<td>Township Library</td>
<td>Township</td>
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<tr>
<td>Municipal Free Public Library</td>
<td>City</td>
</tr>
<tr>
<td>School District Library</td>
<td>School</td>
</tr>
<tr>
<td>County District Library</td>
<td>County</td>
</tr>
<tr>
<td>Association Library</td>
<td>N/A*</td>
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In some cases, the name of the library will not indicate the type of library. However, the taxing authority that appoints the board of library trustees will be an indication of the type
of library. For further verification, check the original resolutions of the library or contact the State Library of Ohio.

*An Association Library does not have a taxing authority because it is organized under Chapter 1702 of the Ohio Revised Code (http://codes.ohio.gov/orc/1702) as a non-profit corporation.

Duties as Defined by Ohio Revised Code

The duties of the fiscal officer are outlined by the ORC sections 3375.36-3375.39 (http://codes.ohio.gov/orc/3375.36) which place accountability for library funds solely upon the fiscal officer.

Typical responsibilities include: receive and deposit all library funds in the authorized depository or depositories; pay out money by a check signed by the fiscal officer and an officer of the library board (ORC 3375.35 - http://codes.ohio.gov/orc/3375.35) (refer to your own board policies for authorized signers); keep the financial records of library funds in accordance with Chapter 117-84, Ohio Administrative Code. See Section XVI, Ohio Administrative Code, Section 117, which lists the requirements of the Auditor of State’s office; maintain all payroll and fringe benefit records in compliance with the requirements of the Ohio Revised Code and applicable federal and local regulations; provide the board of library trustees monthly and annual financial reports; provide fiscal reports on a timely basis as required by other agencies; knowledge of the library’s statutory requirements and powers as authorized by the Ohio Revised Code, opinions of the Ohio Attorney General, and applicable federal laws and regulations; seek legal advice on financial matters from your statutory legal counsel; request guidance from the Auditor of State’s office; attend all regular meetings of the board of library trustees and other meetings as required; work with the library director as a member of the administrative team to provide information on the financial condition of the library and to advise on that condition; and serve on the records commission.

The Ohio Administrative Code and the Ohio Revised Code are designed to be used together in administering the public library.

LIBRARY MANAGEMENT

Relationship Between the Fiscal officer and the Library Director

It is essential for good library management and administration that the library director and the fiscal officer work together as a team. The board should establish job descriptions that outline the duties and relationship between the library director and the fiscal officer. Recommendations for the overall operation, goals, programs and direction of the library are the responsibility of the library director. The fiscal officer has legal liability for the proper receipt and expenditure of public funds.

Board of library trustees should make lines of authority clear in the organizational chart. If there is a conflict between the two people occupying these positions, the board of library trustees must resolve the conflict.

Library Director named as Fiscal Officer or Deputy Fiscal Officer

In some public libraries, the library director also serves as the fiscal officer. When the library director and fiscal officer responsibilities are combined into the director position, the Auditor of State’s office recommends that steps should be taken to insure adequate controls over financial activity are in place.
Library Trustee Named as Fiscal Officer

Although Ohio law states that a member of the board of library trustees may also serve as its fiscal officer, it is not a common practice in Ohio. Possible conflicts of interest include: acknowledgement that the library director is ultimately responsible for the daily operations of the library; setting the salaries and benefits of the library director and the fiscal officer; performance evaluation of the library director and the fiscal officer; budget preparation and approval; spending priorities of the library director; and uneasy relationship with other library staff.

Deputy Fiscal officer

The deputy fiscal officer is appointed by the board of library trustees, for a term of one year, to perform the fiscal officer’s duties in the absence of the fiscal officer. Any deputy fiscal officer must be bonded in an amount and with such surety as the board approves (ORC 3375.36 - http://codes.ohio.gov/orc/3375.36). ORC 3375.36 states that the board of library trustees may authorize such deputy to receive and disburse library funds enabling the deputy fiscal officer to perform all duties of the fiscal officer.

FISCAL OFFICER OATH OF OFFICE

An oath of office is taken annually upon appointment as fiscal officer (ORC 3.22 - http://codes.ohio.gov/orc/gp3.22). Sometimes an oath of office is also required as part of the surety bond application. An oath must be taken before a notary public or an elected official within the geographic limit of his or her constituency (i.e., if the library is a school district public library, then a member of the school board could administer the oath as long as it was taken within the school district), an Ohio legislator, or a judge of an Ohio state court (ORC 3.24 - http://codes.ohio.gov/orc/gp3.24).
Chapter 2
GOVERNMENTAL FUND ACCOUNTING

BASICS OF GOVERNMENTAL FUND ACCOUNTING

The method of accounting for libraries has traditionally been cash basis. Under the traditional cash basis of accounting, receipts are recognized when the income is received, rather than when earned. Expenses are recognized when payment is made, rather than when the liability is incurred.

In April of 2005, Bulletin 2005-002 (http://www.ohioauditor.gov/publications/bulletins/2014.html) was issued by the Auditor of State's (AOS) office in response to a recent American Institute of Certified Public Accountants (AICPA) interpretation (http://www.aicpa.org/). The bulletin notified libraries that in order to receive an unqualified audit opinion, financial statements must be presented in an OTHER COMPREHENSIVE BASIS OF ACCOUNTING (OCBOA) or GAAP Look-A-Like format*. Libraries are not required to file or prepare their statements in a GAAP Look-A-Like format. If they do not, however, they will receive a dual audit opinion.

The library board of trustees, after consultation with the fiscal officer, should make the final decision for the best way to file annual financial statements. For more information, see the section in this handbook on GAAP Look-A-Like reporting.

*Throughout this handbook, OCBOA reporting will be referred to as GAAP Look-A-Like reporting.

FUND TYPES

Governmental funds are the most frequently used by libraries. Governmental funds include the general fund (main operating fund), special revenue funds, debt service funds, and capital project funds. Permanent funds, the newest governmental fund type established by GASB Statement No. 34 (http://www.gasb.org), is to be used for reporting resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government’s programs.

Proprietary funds are enterprise funds and internal service funds. An enterprise fund may be used to report any activity for which a fee is charged to external users for goods or services. Internal service funds are not common in libraries but may be used to account for services such as an insurance pool. Types of fiduciary funds include pension trust funds and agency funds. Questions about setting up a new fund should be directed to the Auditor of State’s office.

Below is a description of funds typically used by public libraries in Ohio. The complete list of fund classifications can be found at the Auditor of State’s Web site under Technical Bulletins #2005-05 (http://www.ohioauditor.gov/publications/bulletins/2014.html).

Governmental Funds

General Fund is the main operating fund to be used for all financial resources except those required to be accounted for in another fund.
Special Revenue Funds are to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of general short-term and long-term debt principal and interest.

Capital Project Funds are used to account for financial resources to be used for the construction, renovation, and maintenance of capital facilities.

Proprietary Funds

Enterprise Funds account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the costs of providing goods and services be financed or recovered primarily through user charges.

Internal Service Funds account for the financing of goods or services provided by one department or agency of a government to other departments or agencies on a cost-reimbursement basis. Charges are intended to recoup the total cost of such services.

Fiduciary Funds

Private Purpose Trust Funds account for trusts that only earnings and not principal, could be spent by the government. You would use a Private Purpose Trust fund if the earnings can only be spent on other individuals, organizations, or other governments.

Permanent Trust Funds would be used if the government can spend the earnings on its own programs.

There are other funds such as Investment Trust Funds, Pension Trust Funds, and Agency Funds that are not typically used by libraries. See the above Auditor of State bulletin for more information on these funds.

SOURCES OF INCOME

All receipts received by the library are public funds, regardless of their source. As public funds, they must be receipted according to ORC Section 9.38 (http://codes.ohio.gov/orc/gp9.38) and the Uniform Depository Act, ORC 135 (http://codes.ohio.gov/orc/135).

A significant source of library funding is generated from state tax collections referred to as the Public Library Fund (PLF). Libraries are also eligible to obtain additional funding through voter approved local property tax levies and bond issues. Additional types of funding may be available through grants, borrowing as allowed by the Ohio Revised Code, and library generated revenue such as fines and fees for services and interest on investments.

Receipts must be deposited on the next business day following the day of the receipt if the total amount received exceeds $1,000. If the amount received does not exceed $1,000, the board may adopt a policy permitting a different time period that cannot exceed three business days following the day of receipt ORC 9.38 - http://codes.ohio.gov/orc/gp9.38). Policies and internal controls must include procedures to safeguard all monies until the time of deposit.
Chapter 3
BUDGETING

BUDGET PROCEDURES

Prior to starting the budget process, it is necessary to establish funds and accounts to manage revenues and expenses for the library. Normally the General Fund is numbered 101 or 1000, Special Revenue Funds are 200 or 2000, Debt Service Funds are 300 or 3000 and Capital Project Funds are 400 or 4000. The account numbers you use will vary depending on your accounting system and the needs of your library for internal control.

Revenue accounts should include the following:

- **Property tax**
  - Includes taxes levied by the taxing authority for the benefit of the public library district on the assessed valuation of real property or personal tangible property located within the library district.

- **Intergovernmental**
  - Includes monies received from the county auditor for the Public Library Fund (PLF) for the general operation of the library district. A separate revenue account should be used for monies received from the Auditor of State for Homestead and Rollback Exemption revenue and tangible personal property tax reimbursement.

- **Grants**
  - Includes revenues received from the Federal Government, the state, the city, county or other local government agencies for both restricted and unrestricted grants to the library district.

- **Fees for services**
  - Includes monies received from overdue fines, lost material charges, rental and usage income, professional services rendered, revenue or commissions from coin-operated machines, parking lot charges, class and seminar fees, etc.

- **Earnings on Investments**
  - Includes interest received on checking accounts, money market accounts, savings accounts, and StarOhio, U.S. Treasury bills, notes, certificates of deposit, or other interest-bearing obligations. Also included are dividends on investments, gains or loss on the sale of investments, rental of real property held as an investment, etc. (Investments must be made in accordance with the Uniform Depository Act, Chapter 135 of the Ohio Revised Code).

- **Services Provided Other Entities**
  - Includes monies received from services provided other libraries or entities on a contractual basis. Examples would be computer services, reference service, interlibrary loan services, consulting, printing, etc.

- **Contributions, Gifts, and Donations**
  - Includes monies received as gifts, bequests, donations, and endowments from philanthropic foundations, private individuals, or private organizations. The money can be restricted or unrestricted. Restricted monies are to be used for a specified purpose and unrestricted may be used for any legal purpose desired.

- **Miscellaneous Receipts**
  - Includes monies received for sale of surplus property, sale of supplies purchased for resale, rental of real property, refunds and reimbursements, etc.
Transfers and Advances From Other Funds
  o Includes monies transferred by a fund from another fund for permanent financing or advanced for the purpose of temporary financing. An advance must be repaid to the originating fund. Both fund transfers and advances must be approved by board resolution.

Expense accounts should include the following:

- **Salaries and benefits**
  o Includes amounts paid to employees of the library district as salary and wage payment, plus leave benefits paid in lieu of salary, and wage payments which go to make up gross salary payments. (All payments reported as employee earnings to the federal, state and local governments are to be charged to this classification.) Examples are: payment for time worked, sick leave, vacation leave, holiday leave, military leave, etc. Also included in this category would be amounts paid for retirement, health insurance, worker's compensation, employee membership dues, tuition reimbursement, etc.

- **Supplies**
  o Includes expendable materials and supplies that are normally used by the library staff for the operation of the library. These include such office supplies as paper, toner, pens, staplers and staples, etc. Property maintenance supplies used by the building department such as brooms, light bulbs, towels, tissue, mops, rags, soap, etc.

- **Purchased and contracted services**
  o Includes travel and meeting expenses for staff and trustees, communications, printing and publicity, property maintenance, repair and security services, insurance for property, rents and leases, utilities, professional services, library material control services, etc.

- **Library materials (purchased or rented)**
  o Books and pamphlets, periodicals, audiovisual material, computer services and information, inter-library loan fees/charges, library material repair and restoration, all other such as games and toys, special learning kits, maps, etc.

- **Capital outlay (new and replacement)**
  o Cost of land and easements
  o Amounts paid to outside firms and individuals for costs of land improvements such as landscaping, seeding, new trees, sidewalks, retaining walls, etc.
  o Includes all costs associated with purchasing or constructing new buildings.
  o Building improvements includes all costs associated with direct renovation, modification and upgrading of existing facilities by outside firms and individuals.
  o Furniture and equipment includes amounts paid to outside firms for items such as desks, chairs, computers, communication systems, etc.
  o Motor vehicles

- **Debt service**
  o Includes redemption of principal, interest expense, financing fees and expenses.

- **Other**
  o Includes dues and memberships for the organization, taxes and assessments, judgments and findings, refunds and reimbursements, and other miscellaneous expenses.

- **Contingency**
  o Established for unanticipated emergencies. No expenditures are to be made from this account. Monies from this account may be moved to other appropriation accounts with the approval of the board of trustees.

- **Transfers and advances to other funds**
  o Advances include monies sent from one fund to another fund for the purpose of temporary financing. Monies sent will be returned to the advancing fund.
once the need for the financing is satisfied. Advances must be authorized by board resolution.
  o Transfers out includes monies sent from one fund to another fund for the purpose of permanent financing. Monies sent will not be returned. Transfers must be authorized by board resolution.

These categories are suggestions only and can be added to depending on the library’s needs. For example supplies could be broken down to office supplies, program supplies, cataloging supplies, and maintenance supplies. Some libraries assign department numbers to the accounts for better internal controls.

TAX BUDGET

The first step in the budget process is the annual tax budget (ORC 5705.28 - http://codes.ohio.gov/orc/5705.28). The tax budget demonstrates to the taxing authority the need to levy a tax and for an allotment of the county’s share of the state’s PLF for the next year. The requirement to file a tax budget may be waived for libraries in counties with only one library system (ORC 5705.281 - http://codes.ohio.gov/orc/5705.281). Check with your library’s county auditor for your county’s requirements and the type of form that is to be used.

The tax budget is adopted by library board resolution each year for the following fiscal year. This budget is submitted to the library’s taxing authority on or before July 15; except for school district libraries, which must adopt a tax budget by May 31 (before the first day of June) and file the budget with the school district’s board of education. The school board must adopt the budget before July 15. The few exceptions to these filing deadlines are explained in ORC 5705.28 (2) (http://codes.ohio.gov/orc/5705.28).

Be sure to allow enough time to prepare the budget in order for the library board to act upon it prior to the appropriate deadline. Time should also be allowed for the taxing authority to hold a public hearing prior to the tax authority’s July 15 deadline. The taxing authority must hold a public hearing on the library’s taxing budget prior to July 15. Notice of the hearing must be published by the taxing authority at least ten (10) days prior to the hearing. Keep a copy of the notice for the library’s records and audit. Once adopted, the taxing authority must submit two copies to the county auditor by July 20.

OFFICIAL CERTIFICATE OF ESTIMATED RESOURCES

The County Budget Commission meets on the first Monday in August to determine the allocation of the Public Library Fund (PLF) among the libraries within the county. The Commission holds public hearings and provides certification of PLF funds to each library for following year by September 1. This document is to be filed with library records for audit purposes. The library board may appeal the certification to the State Board of Tax Appeals (ORC 5705.37 - http://codes.ohio.gov/orc/5705.37).

CERTIFICATE OF TOTAL AMOUNT FROM ALL SOURCES AVAILABLE FOR EXPENDITURE AND BALANCES

County Budget Commissions require that libraries send a certificate of the year-end unencumbered fund balances. Contact the County Budget Commission for a copy of the form that is required. The certificate must be completed at year-end. The County Budget
The County Budget Commission should send an Amended Official Certificate if they are aware of a change in funding that they are in charge of distributing, such as the Public Library Fund (PLF). This may need to be requested by the library.

The library must notify the County Budget Commission of a change in estimated revenue that the board wishes to appropriate. An amended certificate should be issued by the County Budget Commission. Please note the library board cannot appropriate any funds that have not been certified by the County Budget Commission. If expected revenue is decreased, appropriations may also need to be decreased. Library boards cannot appropriate more than the certificate of estimated resources.

ANNUAL APPROPRIATIONS RESOLUTION

The Annual Appropriations Resolution lists expenses by object/account that the library expects to make during the fiscal year. Appropriations for the current fiscal year do not include carryover of outstanding encumbrances (orders carried over from the prior fiscal year). Appropriations for the next fiscal year must be adopted by the library board no later than December 31. Some libraries adopt temporary appropriations at this time. Temporary appropriations allow libraries to expend money until they pass permanent appropriations. If temporary appropriations are used, permanent appropriations must be adopted by the library board and sent to the county auditor no later than March 31.

Total appropriations for each fund cannot exceed estimated resources on the Amended Official Certificate of Estimated Resources. Appropriations can be amended any time during the fiscal year by board resolution but cannot exceed revenues as listed on the Amended Official Certificate of Estimated Resources. If expected revenue is decreased, appropriations may also need to be decreased. Library boards cannot appropriate more than the certificate of estimated resources.

TRANSFERS

Transfers are used to permanently reallocate money from one fund to another. The provisions of ORC 5705.14 through 5705.16 (http://codes.ohio.gov/orc/5705.14), which govern transfers for many other Ohio governmental entities, do not apply to Ohio’s public libraries. Because of this, money may be transferred to the General Fund from any other fund by simple resolution approved by the library board. Transfers from the General Fund may only be made at the end of any fiscal year upon a two-thirds vote of the full membership of the library board. Since transfers permanently change the total fund appropriations, an amended certificate of estimated resources should be obtained from the county auditor.

CONTINGENCY

A maximum of 3% of the library’s total budget, per ORC section 5705.29(A)(1) (http://codes.ohio.gov/orc/5705.29), can be budgeted by the library board in a contingency account. The contingency allows the library board to appropriate monies for unexpected disbursements during the fiscal year. Monies cannot be expended from the contingency appropriation account, but can be moved to any other appropriation account by library board action.
Chapter 4
Purchasing

Requisitions, Purchase Orders, and Encumbering

Requisitions are used by some libraries to initiate a purchase. The requisition is a request for a purchase and is usually signed by the library director or other administrator authorizing the purchase. Once signed, the requisition is then forwarded to the fiscal officer for encumbering and issuing of a purchase order (PO).

Virtually all purchases made by the library should be authorized by purchase order. It is sound fiscal practice that a purchase order procedure be used and consistently applied. The fiscal officer signs and dates the purchase order, assuring that funds are available for the encumbrance.

Purchase orders should be sequentially numbered and include the appropriation code of the encumbered funds as well as vendor name. Some vendors may require either the original signed purchase order or a copy before providing goods or services. At least one copy of the purchase order, filed either numerically or by vendor, should be kept for audit purposes.

Funds are encumbered and the purchase order dated prior to ordering of items or services, and the amount of the purchase order should be a reasonable expectation of the cost of the item or service. Once all obligations to the vendor are met, the purchase order is closed and any unexpended balances are added back into same appropriation for future encumbrances.

Blanket purchase orders may be used for items or services that are regularly purchased from the same vendors (such as utilities, books, etc.), but care should be taken with blanket purchase orders so that outstanding encumbrances are not unexpended over long periods of time.

Encumbered but unexpended funds and purchase orders are carried over to the library’s next budget year.

Special Purchasing

Credit card purchasing is usually used for staff travel, Internet purchases, and other retail expenses. The library should have a board approved policy on use, listing all authorized employees, credit card limits, and use procedures. Credit card purchases should follow the encumbrance and purchase order procedures above.

Monthly statements are not sufficient documentation of purchases; individual receipts are to be filed with statements. In the case of Internet purchases, a screen print of the transaction can provide documentation of the purchase.

Some banks now offer purchasing cards, which limit the type or amount of purchases. This type of card may be useful in a situation where a regular credit card is not appropriate.

Proper internal controls must be in place for credit card usage to prevent fraud, loss, or theft of library funds.
BIDDING

Bidding is covered by the Ohio Revised Code Section 3375.41 (http://codes.ohio.gov/orc/3375.41). This statute applies to PERMANENT improvements and usually does not apply to items such as computers, motor vehicles, furnishings, and equipment unless these items are a part of a total building project that exceeds $50,000. See the Construction section of this handbook for more information on bidding.

Consult the County Prosecutor or the OLC for laws and regulations.
Expending practices differ greatly among libraries. This section does not include expenses associated with payroll. See section on Payroll in this handbook.

**ACCOUNTS PAYABLE CHECKS**

Accounts payable checks are written for disbursement of library funds. For sound internal control and as required by ORC 3375.35 (http://codes.ohio.gov/orc/3375.35), accounts payable checks are signed by the fiscal officer and an officer of the library board. To avoid any theft of library funds, the persons authorized to sign checks (in accordance with account signature cards on file with the bank) must not do so in advance. Checks are pre-numbered for reconciliation and auditing purposes. Blank checks should always be kept in a secure location. Care must be taken to prevent duplicate payments to vendors.

Generally, one check copy is kept in check number order and grouped by check issuance date. An additional check copy might be organized by vendor/payee in alphabetical order and further by check issuance date order within the vendor/payee file. One duplicate check copy should be filed with a copy of the paid invoice and corresponding purchase order attached for audit purposes. Voided checks must be kept and have the signature lines removed or somehow destroyed so that the check cannot be cashed.

**TAX EXEMPTION**

Public libraries in Ohio are exempt from state sales tax and most federal excise taxes. A Blanket Certificate of Exemption form should be completed and given to all vendors so that sales tax is not charged to the library. Forms may be obtained from the Ohio Department of Taxation Web site http://www.tax.ohio.gov/Forms.aspx (Sales Tax exemption form STEC B is available for downloading, completing the necessary information and saved on your computer for future use.) Tax exemption numbers are not issued by the state of Ohio, so most libraries use the library’s state ID or Federal Tax ID on the Certificate of Exemption form.

**PETTY CASH AND CHANGE FUNDS**

Most libraries have petty cash and cash drawer change funds. Both funds require library board action to establish amounts and any increases or decreases as needed. Amounts and procedures vary widely by individual library and should be determined by policy. Petty cash disbursements are usually for small expenses and should be documented with receipts. A check is issued to cover the receipts, and the petty cash fund should be balanced and should not exceed the predetermined limit. Cash drawer change funds are usually used for change for the library’s fine drawer and public copiers and should be counted daily.

**TRANSFERS AND ADVANCES**

Transfers and advances may affect revenue and expenditure balances; be sure to check balances carefully for year-end reporting. See chapter 13 for additional information.
Chapter 6
PAYROLL

DIRECT DEPOSIT

Senate Bill 185, effective June 20, 2008, allows public libraries in Ohio to mandate Direct Deposit for all library employees. Please note this law does not require libraries to implement Direct Deposit. If the library board chooses to implement mandatory Direct Deposit for all employees, be sure to have this formally adopted at a board meeting and recorded in the board minutes.

FORMS

Each library should have its own payroll procedures. Maintenance of accurate and complete payroll records for each employee is crucial to the overall control of expenditures and compliance with federal, state, and local laws. A number of forms need to be filled out by each employee that the library pays. Here’s a breakdown:

- **Employee’s Withholding Allowance Certificate** - (Form W-4) for Federal Income Tax Withholding. Forms can be downloaded from the Internal Revenue Service Web site (http://www.irs.gov). Make sure you have the form for the current year. An employee may choose to change their withholding at any time. They must complete a new form. The withholding elected remains in effect until an employee files a new form. Please refer to the IRS publication 15 (Circular E) Employer’s Tax Guide for guidelines for employers. This publication is updated annually and is available on the IRS Web site. Other helpful IRS publications:
  - IRS Publication 15-A Employer’s Supplemental Tax Guide

- **Medicare/Social Security** - Refer to IRS Publication 15 (Circular E) Employer’s Tax Guide. Medicare tax withholding is mandatory for all employees hired after April 1, 1986. Employers are required to withhold Medicare taxes from employees’ wages and pay a matching amount of these taxes. If a new hire previously worked for a library and was exempt from Medicare, the exemption carries over to the new library position as long as there was no lapse in employment. If enrolled in the Ohio Public Employees Retirement System (OPERS) (https://www.opers.org/), you do not need to pay Social Security taxes.

- **Employment Eligibility Verification** - (Form I-9). U.S. Citizenship and Immigration Services (http://www.uscis.gov). Look under Services & Benefits, Employment Authorization. All U.S. employers are responsible for completion and retention of a Form I-9 for each individual hired for employment. On the form, the employer must verify employment eligibility and the identity of the individual by reviewing documents presented by the employee. Employers are required to maintain I-9 records for 3 years after the date of hire or 1 year after the date the employee’s employment is terminated, whichever is later. Keep this form in a separate folder for all employees.

- **Employee’s Withholding Exemption Certificate** - (Form IT-4) for Ohio income tax withholding. Forms are available from the Ohio Department of Taxation (http://tax.ohio.gov/). Refer to the Business Section for general guideline information and forms. All employees, except for residents of Michigan, Indiana,
Kentucky, West Virginia, and Pennsylvania, who work in Ohio, are subject to withholding of Ohio income tax.

- **School District Income Tax Withholding** - In 1981, the Ohio General Assembly granted school districts the authority to levy an income tax. Refer to the Ohio Department of Taxation Web site for information. Ohio law requires employers to “canvass” their employees and ask them for their school district of residence. If you have an employee who resides in a school district with a tax in effect, you must withhold the school district income tax from the employee’s compensation. Employers who are not active in the school district withholding system should complete and return a registration form (Form IT 1R) as soon as the employer determines they have employees subject to the tax. Upon registration, employers will receive a school district withholding packet. To verify employees are subject to school district withholding, the Ohio Department of Taxation has an online tool where you can enter the employee’s address and it will tell you the current tax for their school district of residence (http://tax.ohio.gov/online_services/thefinder.aspx).

- **Work Permit for Minors** ([ORC 4109 - http://codes.ohio.gov/orc/4109](http://codes.ohio.gov/orc/4109)) - Ohio Minor Labor laws define a minor to be any person less than 18 years of age who has not obtained a high school diploma or its equivalence. The Division of Industrial Compliance administers and enforces Ohio’s Minor Labor Laws. Forms and information are available on the Ohio Department of Commerce’s Web site ([http://www.com.state.oh.us/](http://www.com.state.oh.us/)). A work permit is required for a minor as defined by the law. Please review the restrictions on work hours for minors.

- **Ohio Municipal (City) Income Tax** ([ORC 718 - http://codes.ohio.gov/orc/718](http://codes.ohio.gov/orc/718)) - is imposed on wages earned by residents of the municipality and by nonresidents working in the municipality. State law requires a flat rate within a municipality. The rate is determined locally. Partial or full credit can be given to residents who pay municipal income taxes to a different municipality where they are employed. Libraries must withhold and pay city taxes for the municipality where their library is located. Libraries may withhold city taxes for nonresidents where their municipality does not give full credit for taxes paid. It is not a legal requirement. The Ohio Department of Taxation provides information on its Web site from which anyone can contact the cities and villages in Ohio with a municipal income tax and obtain forms and information. Some municipalities/cities in Ohio use the Regional Income Tax Agency ([http://www.rita.to/](http://www.rita.to/)) to collect income tax.

- **Ohio Public Employees Retirement System Personal History Record** ([OPERS Form A](http://www.opers.org)) - Public library employees are covered under the Ohio Public Employees Retirement System. Each newly hired employee must complete a Personal History Record (Form A) to be enrolled in the program. The form is available on the OPERS Web site under the forms section and may now be completed and submitted to OPERS online. Once the employee completes the form and the employer completes the certification of employment, a copy should be made and retained in the library’s permanent files. The original form is submitted to OPERS.

- **Statement Concerning Your Employment in a Job not covered by Social Security** ([Form SSA-1945](http://www.socialsecurity.gov/form1945/)) - All new hires after January 1, 2005 that are not covered by Social Security are required to complete this form. The form explains to new employees the potential effects of two provisions that may affect them: (1) Windfall Elimination Provision affects the amount of Social Security retirement or disability benefits, and (2) Government Pension Offset Provision. Retain the original form and send a copy of this form to OPERS with the Form A.
● **Other Internal Payroll Forms**, such as
  o Voluntary deduction authorization/waiver forms for medical, dental, vision, disability, supplemental life, etc., if offered by the library and the employee meets the eligibility requirements. If the employee is eligible for a benefit and decides to waive the right to the benefit, it is highly recommended that you have a signed and dated waiver form on file.
  o Direct Deposit Authorization Form for depositing an employee’s paycheck into a checking and/or savings account.

Generally all payroll and personnel files are public records. Social Security numbers should be eradicated from copies released to the public; home address and home phone numbers are not public records, and should also be eradicated. It is highly recommended that the information is marked unreadable by using a dark pen so it shows that information has been removed.

Libraries may also maintain other information on employees that is considered personnel files such as an application for employment, interview notes, hiring letters of notification, evaluation forms, medical testing, non-medical testing, education workshop attendance verification/certificates, disciplinary records, verification of car insurance (if drive on behalf of the library), and emergency contact forms.

Medical files for employees for the Family Medical Leave Act (FMLA) should be kept separate from all other files. Records reflecting return to work, work limitations, and employer’s health insurance are all public records. The medical records exception to public records law relates only to the actual confidential medical treatment received by the employee.

**MINIMUM WAGE**

On November 26, 2006, Ohio voters approved an amendment to the Ohio Constitution that increases the state’s minimum wage and imposes significant related record-keeping and record-disclosure requirements on employers.

Beginning January 1, 2007, with only a few exceptions, every employer in Ohio must pay its employees at least $6.85 per hour. Beginning January 1, 2008, this amount will automatically increase annually by the rate of inflation. The constitutional amendment allows only certain specified exemptions to the minimum wage requirement to remain in effect. For example, employees under 16, certain small businesses, and certain disabled employees will be exempt. However, many familiar exemptions to the minimum wage – including those for executives, administrative and professional employees, and computer professionals – will no longer apply in Ohio.

The amendment also requires employers to maintain records of each employee’s name, address, occupation, pay rate, hours worked, and wages paid – meaning the records of hours worked must be kept on salaried and hourly employees alike. Significantly, employers also must provide “such information” upon request, and without charge, to an employee or “person” acting on behalf of an employee. The amendment further permits employees, a person acting on behalf of one or more employees and/or another interested party to enforce the new law through either a complaint with the state or a civil law suit.

**RECORDING OF TIME WORKED**

Employers may use any timekeeping method they choose. Any timekeeping system is acceptable, as long as it is complete and accurate. Time records should be kept for all
employees, whether they are exempt or not. All Ohio employers must:

1. At the time of hire, provide every employee with the employer’s name, address, telephone number, and other contact information and update this information when it changes.
2. Maintain a record of the name, address, occupation, pay rate, hours worked for each day worked, and each amount paid an employee for three years following the date that the employee was last employed.
3. Provide this information upon request and without charge to an employee or person acting on behalf of an employee.

For federal guidelines, basic record keeping information is defined in the Fair Labor Standards Act (FLSA) administered by the U.S. Department of Labor, Wage and Hour Division (http://www.dol.gov/whd/flsa/). The FLSA sets federal minimum wage, overtime pay, recordkeeping, and child labor standards for employment subject to its provisions. Unless exempt, covered employees must be paid at least the minimum wage and not less than one and one-half times their regular rates of pay for overtime hours worked. Government employers may provide compensatory time in lieu of paid overtime.

The employee’s supervisor should review the time record before it is submitted for payroll processing. In addition to work time, the employee should indicate any paid leave such as sick leave, vacation leave and/or holiday time. Requests for paid leave should be matched against time actually taken. The employee and the supervisor both should sign the time record.

DECEASED EMPLOYEE PAYROLL PROCESSING

The tax treatment and reporting obligations for wages paid after an employee’s death depends on when the wages are paid in relation to the employee’s death. Before reissuing the deceased employee’s paycheck, the employer must check state law for any requirements such as who can receive the check and how much can be paid. Refer to the Ohio Department of Taxation for state of Ohio requirements.

Employee Dies Before Cashing Paycheck

If an employee dies after receiving a paycheck but before cashing it, the employer should reissue the check to the employee’s personal representative, payable to the employee’s estate or beneficiary as determined by state law, for the same net amount, since income and employment taxes were properly withheld. The wages and amounts withheld must be reported on the deceased employee’s Form W-2, Wage and Tax Statement.

Wages Paid After Employee Dies and in the Same Year

Wages paid to a deceased employee’s estate after the employee dies but in the year of death are not subject to federal income tax withholding. They are subject to Medicare taxes. The employer must report the Medicare wages and the taxes withheld on the deceased employee’s Form W-2. The amount of taxable income should be reported on Form 1099-MISC in the name of the employee’s recipient (beneficiary or employee’s estate) of the payment.

Wages Paid After the Year of Death

Wages paid to a deceased employee’s estate after the year of the employee’s death are subject to neither federal income tax withholding nor Medicare, and should be reported on Form 1099-MISC in the name of the beneficiary of the payment.
REQUIRED REPORTING

Each library is required to submit periodic payroll reports to various agencies.

Internal Revenue Service’s forms (http://www.irs.gov) include:

- **Quarterly Federal Withholding Tax Return IRS Form 941** – All employers who pay wages that are subject to income tax withholding or Social Security and/or Medicare taxes must file Form 941, Employer’s Quarterly Federal Tax Return, by the last day of the month that follows the end of the quarter.

- **IRS Form W-2** for wages paid to each employee from whom: Income, Social Security, or Medicare tax was withheld, OR income tax would have been withheld if the employee had claimed no more than one withholding allowance or had not claimed exemption from withholding on Form W-4, Employee’s Withholding Allowance Certificate.

- **Form W-3** to transmit Copy A of Forms W-2 to the IRS. Make a copy of Form W-3; keep it and Copy D (employer’s copy) of Forms W-2 with your records for 4 years. Forms must be postmarked to the employee’s home address by the end of January of the succeeding calendar year.

- **Form 1099-MISC**, Miscellaneous Income. Employers are required to prepare a Form 1099-MISC for each person the employer paid during the year at least $600 in rents, services, prizes and awards, other income payments, medical and health care payments, and gross proceeds to an attorney. It is also used when reporting a deceased employee’s wages paid to an estate or beneficiary. Forms must be postmarked by the end of January of the succeeding calendar year.

- **Form 1096**, Annual Summary and Transmittal of U.S. Information Returns – use this form to transmit paper Forms 1099 to the Internal Revenue Service. Must be filed by the end of February of the succeeding calendar year.

**State of Ohio Forms** (http://tax.ohio.gov/) – Employers should receive a book annually that contains the necessary withholding forms with the filing frequency. The forms are also available on the Ohio Department of Taxation Web site.

- **Employer’s Payment of Ohio Tax Withheld (IT 501)** should be sent with the remittance of tax withheld from employees’ pay.

- **Annual Reconciliation of Income Tax Withheld (IT-941)** must be filed on or before January 31 of the succeeding year.

- **Transmittal of Wage and Tax Statement (IT-3)** is filed with the state’s copy of W2 and 1099 forms. Required to be filed on or before the last day of February of the succeeding year.

- **School District Employer’s Annual Reconciliation (Form SD 141)** – All employers required to withhold school district income tax must file no later than January 31 of the succeeding calendar year an annual report reconciling school district tax withheld and paid for in the past calendar year.

**Municipal Income Withholding Tax Return** – Refer to the municipality for their requirements. Many municipalities have outsourced income tax collection to the Regional Income Tax Agency. See the Web site for these forms and instructions (http://www.rita.to):
- Form 11 Employer's Municipal Tax Withholding Statement
- Form 17 Reconciliation of Return Income Tax Withheld

New Hire Reporting ([http://oh-newhire.com](http://oh-newhire.com)) – Federal and state law requires employers to report newly hired and re-hired employees in Ohio to the Ohio New Hire Reporting Center. The information must be reported within 20 days of hire date. Reports can be filed electronically, mailed or faxed. Independent contractors must also be reported.

Ohio Department of Job & Family Services, Office of Unemployment Compensation ([http://jfs.ohio.gov/ouc/uctax/index.stm](http://jfs.ohio.gov/ouc/uctax/index.stm)) – All libraries are covered by unemployment compensation laws (ORC 4141.01 - [http://codes.ohio.gov/orc/4141.01](http://codes.ohio.gov/orc/4141.01) and 4141.241 - [http://codes.ohio.gov/orc/4141.241](http://codes.ohio.gov/orc/4141.241)) which are administered by the Ohio Department of Job & Family Services. Libraries can choose one of two methods: (1) Reimbursing – pay as you go plan or (2) Contributing – quarterly payment based on percentage of total wages paid to all employees. Most Ohio Libraries are reimbursing employers. Reimbursing employers must file both the Employer's Report of Wages and the Employer's Quarterly Payroll Report (JFS-66112). Reports can also be filed electronically. Quarterly reports must be filed no later than the last day of the first month following the close of the calendar quarter being reported. In Ohio, the postmark date is considered the date of filing. Penalties will be assessed for late reporting.

Ohio Public Employees Retirement System ([http://www.opers.org](http://www.opers.org)) – The Ohio Public Employees Retirement System (OPERS) was established by state law in 1935 (ORC 145 - [http://codes.ohio.gov/orc/145](http://codes.ohio.gov/orc/145)) and operates under the authority of the Ohio General Assembly. Rules governing the retirement system are subject to change periodically either by statute of the Ohio General Assembly, regulation of the Ohio Public Employees Retirement Board, or regulation of the Internal Revenue Code (ORC 145.01(D) - [http://codes.ohio.gov/orc/145.01](http://codes.ohio.gov/orc/145.01)). All employees who are paid in whole or in part by the state of Ohio, a county, municipality, or any other political subdivision of state or local government in Ohio are enrolled in OPERS, unless they are covered by another state retirement system in Ohio or by the Cincinnati Retirement System.

As a member of OPERS, employees are required to make contributions through payroll deduction. Federal tax law makes it possible for employers to pay or pick-up (see below) employee contributions to OPERS. This enables employers to remit employee contributions on a tax-deferred basis. Employers are required to make contributions to the system on the basis of a percentage of earnings. Refer to the OPERS employer manual for helpful information. A copy may be obtained from the Employer Outreach Department of OPERS or on their Web site under the Employers’ section.

Employee contributions withheld and employer contributions must be sent to OPERS with the proper reports. Employers can remit contributions by check or electronic funds transfer. Reporting can be done through paper reports or online using the OPERS Employer Contribution System (ECS). Penalties will be assessed for late reporting.

There are specific rules that must be followed if the library is considering re-employing retirees that have retired from public employment under OPERS or one of the other Ohio retirement systems. Employers must have re-employed retirees complete a Notice of Re-Employment of an OPERS Retiree (SR-6). Since the guidelines for re-employing retirees have changed over time, it is recommended that you contact OPERS for the most current information regarding this issue.

Mandatory employee and employer contributions are on an after-tax basis, unless an employer has established a pick-up plan ([https://www.opers.org/publications/definitions/EmpPickUp.shtml](https://www.opers.org/publications/definitions/EmpPickUp.shtml)) for pre-tax contributions as allowed by federal tax law.
**Pick-Up Plans**

Internal Revenue Service (IRS) law makes it possible for an employer to pay (pick-up) employee contributions for members of OPERS. This is a technique that enables employers to designate employee contributions picked up by the employer as employer contributions. The federal law states that employer contributions to a qualified pension plan are non-taxable to the employee until such time as the contributions are received as a refund or as retirement benefits. Pick-up plans for mandatory contributions and payroll deductions to purchase other service credit are separate plans, which an employer must establish and qualify separately. Contact OPERS for more information.

There are two methods of employer pick-up: the Fringe Benefit Method and the Salary Reduction Method. The Fringe Benefit Method is used when an increase in salary is to be applied as a pick-up of the retirement contribution. Under the Salary Reduction Method there is no pay increase. The consequence of either method of employer pick-up is there are no federal and state income taxes withheld from the picked-up contribution and this same contribution will not be reported as taxable income on the employee’s IRS Form W-2 as state or federal taxable wages. Pickup contributions may be considered municipal taxable wages.

Reporting requirements for a pick-up plan may be obtained from OPERS. The complexity of these procedures varies with the method of pick-up used and whether all or part of the employees are participating in the pick-up plan. Any changes in the pick-up plan after implementation must be given to OPERS 30 days prior to the effective date of such changes.

**Ohio Public Employees Deferred Compensation Program** ([http://www.ohio457.org](http://www.ohio457.org))

The Ohio Public Employees Deferred Compensation Program (OPEDCP) is a “supplemental retirement benefit plan that offers all public employees located in the state of Ohio the opportunity to accumulate tax-deferred assets to meet their long-term financial goals and to provide a desirable lifestyle and peace of mind in retirement.” The program is unique in that it is a public, not-for profit organization created by the state of Ohio and administered by a board of trustees. The program provides participants with educational tools, a diverse set of investment options, flexible savings and withdrawal options, as well as portability when changing jobs within the public sector.


Ohio's workers' compensation system helps employers and employees cope with workplace injuries by providing medical and compensation benefits for work-related injuries, diseases and deaths. All employers in Ohio must carry workers’ compensation coverage for their employees. In addition, employers must complete semiannual payroll reports to the Ohio Bureau of Workers’ Compensation with a premium payment.

BWC assigns manual classifications to employers based on the type of business and the hazards associated with the work. BWC determines the rates charged to cover employees in the assigned classification. The premium is based on the rate applied to the total payroll paid to employees in the prior year of reporting. Please refer to BWC for guidelines on reportable payroll. Pay particular attention to OPERS pickup plans and Ohio Deferred Compensation Deductions.

Libraries may be eligible to participate in a group-rating program. The Ohio Library Council sponsors a pooled plan. Please contact OLC for information.
FRINGE BENEFITS

The library board of trustees may decide to purchase insurance benefits for library employees. ORC 3375.40 (M) ([http://codes.ohio.gov/orc/3375.40](http://codes.ohio.gov/orc/3375.40)) states that library boards may “procure and pay all or part of the cost of group term life, hospitalization, surgical, major medical, disability benefit, dental care, eye care, hearing aids, or prescription drug insurance or coverage, or a combination of any of those types of insurance or coverage, whether issued by an insurance company or a health insuring corporation duly licensed by the state, covering its employees, and, in the case of group term life, hospitalization, surgical, major medical, dental care, eye care, hearing aids, or prescription drug insurance or coverage, also covering the dependents and spouses of its employees, and, in the case of disability benefits, also covering the spouses of its employees.”

Health/Medical  The library board of trustees is not obligated to provide medical insurance; however, if medical insurance is offered, the insurance company may require that it be made available to all employees scheduled for a set number of hours a week. The board can determine the amount the library will pay towards insurance coverage after meeting the insurance company’s minimum participation level. Other health insurance benefits that the board may wish to provide are dental insurance and vision insurance.

Life Insurance  May be a group plan or supplemental. Refer to IRS ([http://www.irs.gov/](http://www.irs.gov/)) publication 15-B for tax issues if over $50,000 of coverage purchased.

Disability Insurance  includes short-term, long-term, and/or cancer coverage.

LEAVE BENEFITS

Leave benefits allow employees to take time off from work. The library board is responsible for determining which leave benefits are paid or unpaid. Federal and state laws require certain types of leave, whereas other types are voluntary incentives provided by employers. Here are a few examples:

Family & Medical Leave  (FMLA) provides certain employees with up to 12 weeks of unpaid, job-protected leave per year. It also requires that their group health benefits be maintained during the leave. FMLA benefits are mandatory for all libraries that have 50 or more employees. Refer to the U.S. Department of Labor for more information ([http://www.dol.gov/whd/fmla/](http://www.dol.gov/whd/fmla/)).

Voluntary Leave Benefits  such as funeral, holiday, vacation, personal, and sick leave. Ohio law states that prior public employment service must be credited to service time for leave purposes. Contact the Ohio Library Council or your legal counsel for more information.

Jury Duty  Per Ohio Revised Code 2313.18 ([http://codes.ohio.gov/orc/2313.18](http://codes.ohio.gov/orc/2313.18)), no employer shall discharge, threaten to discharge, or take any disciplinary action that could lead to the discharge of any permanent employee who is summoned to serve as a juror. Ohio law also prohibits employers to require that an employee use vacation or sick leave while serving on jury duty.

Military/Reservist’s Leave  Refer to the Ohio Department of Labor, Veterans’ Employment & Training Service ([http://www.dol.gov/vets/](http://www.dol.gov/vets/)). The Uniformed Services Employment and Reemployment Rights Act (USERRA) “clarifies and strengthens the Veterans' Reemployment Rights (VRR) Statute.” The USERRA protects persons who perform duty, voluntarily or involuntarily, in the uniformed services. In addition, under the Public Health Security and Bioterrorism Response Act of 2002, certain disaster response work (and authorized training for such work) is considered service in the uniformed services as well.
REQUIRED POSTINGS

Various federal and state agencies require libraries to post information in a place readily accessible to all employees (see list below). Please note that regulations may change periodically. Consult your legal counsel for more information.

Workplace postings required by federal law are available from the U.S. Department of Labor (http://www.dol.gov):

- Fair Labor Standards Act (FLSA), includes federal minimum wage, by U.S. Department of Labor, Employment Standards Administration
- Family and Medical Leave Act (FMLA)
- Employee Polygraph Protection Act (EPPA)
- Equal Employment Opportunity (EEO)
- Notice to Workers with Disabilities
- Uniformed Services Employment and Reemployment Rights Act (USERRA)

Workplace postings required by state law are available on the state of Ohio Web site (http://das.ohio.gov/Divisions/HumanResources/HRDOCBPolicy/LaborEmploymentLawPostingRequirements.aspx):

- Unemployment Compensation, Ohio Department of Job & Family Services
- Workers Compensation, ORC 4123.83 (http://codes.ohio.gov/orc/4123.83)
- Minimum Wage ORC 4111.09 (http://codes.ohio.gov/orc/4111.09)
- Minor Labor Laws ORC 4109.08 (http://codes.ohio.gov/orc/4109.08)
- Public Employees Risk Reduction OAC 4167-4-01 (http://codes.ohio.gov/oac/4167-4-01)
- Fair Employment Practices Law ORC 4112.07 (http://codes.ohio.gov/orc/4112.07)
Chapter 7
BANKING AND INVESTMENTS

Banking and investment regulations for all political subdivisions are described in Ohio Revised Code, Chapter 135, the Uniform Depository Act (http://codes.ohio.gov/orc/135).

CONTINUING EDUCATION REQUIREMENTS

Library fiscal officers responsible for investing public funds are required to obtain state-approved Continuing Education Units (CEUs) in order to make certain investments under guidelines established in the Uniform Depository Act. The Ohio Treasurer of State is responsible for providing annual training opportunities related to banking and investment regulations and practices at basic, intermediate and advanced levels via the Center for Public Investment Management (CPIM). The CPIM may also approve Continuing Education curriculum held by outside professional organizations in order to qualify participants for their annual CEUs. The Treasurer of State may be reached at 30 East Broad Street, 9th Floor, Columbus, Ohio 43266-0421, (614) 466-2160 (http://www.ohiotreasurer.org/).

The Auditor of State is required to verify compliance with the annual continuing education requirements, and may be reached at 88 East Broad Street, Columbus, Ohio 43216-1140, (800) 282-0370 (http://www.auditor.state.oh.us).

Library fiscal officers whose investing only includes investments in Ohio’s Subdivision Fund (STAR Ohio), no-load money market mutual funds, or in-time deposits with eligible public depositories may file for an Annual Notice of Exemption from the annual continuing education requirement. Forms may be obtained from the Treasurer of State, and must be postmarked by December 31 in order to be eligible for exemption.

DEPOSITORY AGREEMENTS

Prior to depositing or investing public funds with a financial institution, the library board must approve a depository agreement with that institution. A separate depository agreement should be in force for each institution. Depository agreements are necessary regardless of FDIC insured fund limits. Depository agreements must be re-approved by the library board of trustees upon expiration, and can be in force for up to a maximum five-year period. Signature cards with authorized signers on bank accounts should be secured from each financial institution prior to depositing any funds with that institution. Sample depository agreements are included in the appendices.

It is recommended that libraries structure depository agreements with multiple financial institutions to expire at the same time, so long as none exceed the maximum five-year period. Prior to expiration of depository agreements, the library may provide a Request for Proposal (RFP) for Banking Services to financial institutions in order to secure the best possible services and rates for the library board (see sample RFP in the Appendices).

A depository agreement for investing in STAR Ohio is not required since authorization is provided via Ohio Revised Code section 135.45 - (http://codes.ohio.gov/orc/135.45).
PLEDGED COLLATERAL

Changes to the requirements of financial institutions for pledging security for repayment of public deposits were made in 2002 (ORC 135.18 - http://codes.ohio.gov/orc/135.45 for specific collateral requirements, and ORC 135.181 - http://codes.ohio.gov/orc/135.181 for pooled collateral for more information).

INVESTMENTS AND INVESTMENT POLICY

In 1996, Senate Bill 81 was passed by the Ohio General Assembly in an effort to safeguard taxpayer dollars by ensuring that public money is carefully managed in a conservative risk-adverse manner, which included many changes in the requirements of public funds investment. Per Senate Bill 81, a board-approved written investment policy must be filed with the Auditor of the State, Clerk of the Bureau, and any amended investment policy should be likewise recorded in the same manner. The Act requires that a library treasurer have a written investment policy on file with the Auditor of State that is approved by the library board of trustees. If a library does not file a written investment policy with the Auditor of State, the treasurer shall invest the library’s interim moneys only in (1) interim deposits, as defined in ORC 135.01, in an eligible institution applying under the Uniform Depository Act, or (2) the Ohio Subdivision’s Fund (STAR OHIO).

See ORC 135.35 (K) for the requirements of an Investment Policy, which include the following:

- A board-approved investment policy should be approved in public session for protection of library assets and personal liability of the fiscal officer for investment practices and strategies.
- A signed investment policy should be in place for all financial institutions prior to investing any funds with that particular institution.
- Exemption to filing an investment policy is permissible under certain regulations as defined in ORC 135.22 (E) (http://codes.ohio.gov/orc/135.22). A notice requesting exemption from filing an investment policy must be submitted to and certified by the Auditor of State on an annual basis.
  - The average annual portfolio on investments is under $100,000.
  - Only those investments denoted in division (B)(3), (B)(5), and (B)(6) of section 135.14 of the Revised Code (http://codes.ohio.gov/orc/135.14) are allowed.
  - All deposits shall be of an “interim” basis.
  - Investments in no-load money market mutual funds only.
  - Deposits in the Ohio Subdivision’s Fund called STAR OHIO, State Treasury Asset Reserve of Ohio.

- H.B. 674 amended ORC 135.21 (http://codes.ohio.gov/orc/135.21) and created ORC 3375.391 (http://codes.ohio.gov/orc/3375.391). The board may adopt a resolution requiring the fiscal officer to credit the earnings on investment of the principal of the monies specified in the resolution to the fund from which the earnings arose or any other fund of the district as the board specifies in its resolution. If no resolution is adopted by the board, pursuant to ORC 3375.391 (http://codes.ohio.gov/orc/3375.391), all investment earnings must be credited to the library’s General Fund.

- The Auditor of State has issued several Technical Bulletins regarding the investment of public funds. Here is a list of bulletins that are available through the Auditor of State’s Web site (http://www.auditor.state.oh.us). The bulletins in bold listed below review the most sweeping changes for investing public funds.
- **1996-017: Investments – Continuing Education Amended Sub. Senate Bill No. 81** – the original compliance requirements for investing public funds
- **1996-026: Senate Bill No. 81 – Questions and Answers**
- **1999-013: Library Interest Allocation and H.B. 674** (Eff. 3/30/99)
- **1999-020: Proper Deposit of Public Funds and Designation of Depositories for Public Money: H.B. 220** (Eff. 11/2/99)
- **2000-011: Investment & Deposit Changes and Sub. H.B. 473** – notes several changes to Senate Bill 81
- **2000-012: No-Load Money Market Mutual Funds and Sub. S.B. 82**
- Also available on the Auditor of State Web site is the **Ohio Compliance Supplement** updated each year, as well as **Best Practices** issues.

Chapter 8
INSURANCE

TYPES OF INSURANCE

In order to protect the library board and its assets, libraries can purchase several types of commercial insurance. The following are basic types of insurance usually purchased by libraries (listed alphabetically):

1. Boiler & Machinery – covers electrical equipment breakdown; may include business interruption
2. Bonding – protects from employee dishonesty, infidelity, theft, etc. for those who frequently handle library money. ORC Section 3375.32 (http://codes.ohio.gov/orc/3375.32+) requires that the fiscal officer of the library be bonded. ORC Section 3375.36 (http://codes.ohio.gov/orc/3375.36+) refers to the bonding of a deputy fiscal officer.
3. Comprehensive General Liability covers four types of injuries:
   a. Bodily injury
   b. Property damage/loss
   c. Personal injury
   d. Advertising injury
4. Commercial Crime – covers costs of losses from employee dishonesty such as:
   a. Fraud
   b. Forgery
   c. Theft
5. Employment Practices – becoming more common; covers claims such as:
   a. Sexual harassment
   b. Age discrimination
   c. Benefits claims
   d. Unlawful discharge
6. Errors & Omissions – covers claims related to library’s failure to provide adequate level of professional service.
7. Fleet Coverage – auto coverage; recommended even if library does not own any vehicles—for employees driving personal car while on library business.
8. Inland Marine – covers loss or damage related to transportation of materials such as by bookmobile.
9. Property – provides protection against most risks to property such as fire and some weather damage.
10. Stop Gap – provides coverage for workers’ compensation claims
11. Umbrella – provides extra liability insurance that pays for a loss when the limits of your underlying policy are reached.

WRITING A REQUEST FOR PROPOSAL (RFP) FOR INSURANCE COVERAGE

Creating a Request for Proposal (RFP) for insurance coverage can substantially save money, especially if the library board has used the same insurance company for many years. Writing a RFP takes some preparation and requires collecting a considerable amount of information, so it should be completed at least three months prior to the expiration date of
the library’s current insurance policies. This time frame will give insurance companies adequate time to provide quality quotes to the library for consideration.

It is important to have a complete, updated inventory of assets, including library materials, artwork, buildings, vehicles, etc. If asset inventories are not current, consider hiring an inventory service company to conduct a complete inventory valuation prior to creating a RFP. The cost is relatively inexpensive, and this process will allow for all assets to be tagged along with providing the most accurate information for both the library board and the insurance companies providing quotations. Most inventory companies will provide an Excel format listing of assets that can be easily updated in-house if the library board cannot afford to do this on an annual basis. A list of companies providing asset tagging and valuation services is included in the Appendices.

In the RFP, state the date, time, and place quotes will be opened and when the contracts will be awarded at a public library board meeting. Allow at least two to three weeks after quotes are received to give time to review them before presenting recommendation to board. It is difficult to be sure that you are comparing “apples to apples” with insurance quotes, so please note that the more specific the RFP is, the more likely comparable quotations will be received.

**Items to be included in the Request for Proposal documents (see sample RFP in the Appendices)** are:

1. Type of insurance to be quoted (i.e., property, liability, errors & omissions)
2. Amounts of coverage requested for each type of insurance
3. List current insurance policy expiration date/effective date of new policy – be sure to note that coverage cannot lapse
4. Insurance claims history for last 3-5 years
5. Give alternative options for deductibles
6. Certificate of Insurance from current policy
7. Updated Asset inventories, including buildings and land valuations if available
8. Library materials inventories

**Items to Consider for RFP**

1. Quotes should be for a 1 to 3 year period, with reasonable increases for inflation
2. Simplify by encouraging agencies to quote entire package of all library commercial insurance policies
3. Hold a pre-quote meeting to go over the specifications and RFP requirements if requested by the insurance companies

Companies to send RFPs to include the library’s current insurance agency, along with other local agencies and those that have expressed interest in the past. Consider placing an advertisement in the local newspaper announcing the RFP. The more quotations received usually increases the opportunity for the library board to save on premiums.

Open/review quotes at the stated date and time. Do not accept late proposals so that all companies quoting have confidence in the fairness of the process. Be sure to keep all quotes for audit purposes.

**Items to consider before awarding quotes:**

1. Each insurance company’s reputation/rating
2. The premium quoted
3. The agent helpfulness/cooperation during process – this is very important. If you have any questions about any item in the quotation, call the agent for help. His/her response, ability to clearly explain items in the quote, along with cooperation and response time should all be considered before selecting a
company. Also, some companies may offer additional endorsements over what was requested, such as higher umbrella coverage, at little or no cost. Many companies can “package” insurance at a lower cost, and the library may be able to secure higher coverage with no increase in premium.

Award the contract. Be sure to have the library board award the contract at the stated board meeting date. List the selected company name and premium amount in the board minutes.

Call all agents submitting proposals and thank those not awarded the contract; encourage them to send proposal again next time.

See the Appendices for a Sample Request Insurance Proposals along with a list of companies providing asset inventory services.

For more information, try the following Web sites:
Moody’s Insurance company ratings – http://www.moodys.com
Ohio Department of Insurance – www.insurance.ohio.gov
Other - http://www.AllQuotesInsurance.com

INVENTORY OF FIXED ASSETS

The Auditor of State requires that libraries keep accurate records of fixed, or capital, assets. Keeping current records also helps to safeguard the board’s assets, save money on insurance premiums, and allows the library to secure adequate insurance coverage.

A good capital asset program includes the following:
- Building List – Create/Update list of library board-owned buildings with the following information:
  - Year constructed, along with year(s) of any major alterations/additions
  - Square footage
  - Type of construction
  - Purpose of building
  - Latest valuation of building; depreciation if necessary
  Note: This information can usually be found on current liability insurance policy

- Capital Asset Inventory – Create/Update list of equipment to include:
  - Vehicles, desks, computers, photocopiers, phone systems, LCD projectors
    - Information needed includes: Item description, serial/VIN number, asset tag number, cost
    - Board should set threshold amount for capital assets – minimum dollar amount of each asset to be included in asset inventory, such as $500

- Data Processing Software List
  - Value can be difficult to determine but is important to calculate
  - Insurance coverage is typically for both software AND staff time required to replace software if a loss is experienced
  - Be sure to store daily and monthly backups of accounting and circulation software off-site and have a disaster recovery plan for Data

- Non-Circulating Artwork List
  - Include artist, date, appraised value, if available

- Library Materials List
  - Usually can be created from circulation/acquisitions system
  - Materials should be listed by type (i.e., Books, videos, DVDs, audios, music
and other CDs)
  - Collect ISBN, title, author, cost (can use either actual cost or average cost per material type)
  - These items are called “Valuable Papers” for insurance purposes

- Consider hiring an appraisal company to do tagged inventory of library assets
  - Company can provide Excel or other database list of assets
  - Once inventory is complete, the finance department can easily update the list with new asset purchases without having to hire company again
  - Or have the appraisal company update asset list for an annual fee

- Disposal of Capital Assets
  - Provide a list of assets to be disposed of to library board for approval
  - Board resolution can authorize library administration to dispose of assets or consider developing a board-adopted policy for all future disposal of assets through sealed bids, public sale, public auction, etc.
Chapter 9
RECORDS RETENTION AND MANAGEMENT

RECORDS RETENTION

Records management is a major responsibility of the fiscal officer as it relates to financial, personnel and board records retention, disposal, and public access. Record retention policies and access to library documents by the public are both covered within the mandates of the Ohio Revised Code.

Questions related to record retention policies should be directed to the Auditor of State, 88 East Broad Street, Columbus, Ohio 43216-1140, (800) 282-0370 (https://ohioauditor.gov/). Additionally, the Ohio History Connection may also assist with record retention issues and can be reached at, Ohio History Connection, 800 E. 17th Ave. Columbus, OH 43211, (614) 297-2300 (http://www.ohiohistory.org).

All libraries should have a board-adopted records retention policy. As of September 29, 2007, all public libraries are required to have record retention policies.

Records retention for public entities is covered under ORC Chapter 149 (http://codes.ohio.gov/orc/149). There are certain mandates established for retaining certain records permanently, such as certain types of payroll, personnel and Ohio Public Employee Retirement System (OPERS) documentation, as well as minutes of board meetings, deeds and titles for land or properties, and other capital expenditures. Care should also be taken with personnel records to meet all federal and state of Ohio guidelines for retention of these records.

Record retention policies should have all records divided into either permanent or non-permanent. When evaluating the retention of any record consider the four distinct characteristics of administrative, legal, fiscal, or historical value inherent in the record. Records may be further broken down into more distinct categories such as finance, personnel, buildings, board, and management.

Sample policies can be found online (https://ohioauditor.gov/).

ACCESS TO PUBLIC RECORDS

Matters of public access to records are typically handled by the Ohio Attorney General, 30 East Broad Street, 17th Floor, Columbus, Ohio 43215-3428, (614) 466-4320 (http://www.ohioattorneygeneral.gov/).

ORC 149.43 (http://codes.ohio.gov/orc/149.43) covers the availability of public records. Most library records are public documents and are considered the property of the board of trustees. There are only 15 expressly stated exceptions and one “catch-all” exception to Ohio’s Public Records Act related to what documents may be withheld from public viewing. Refer to ORC 149.43 (1) (http://codes.ohio.gov/orc/149.43) for exceptions.

Public records must be made available for inspection at all reasonable times during regular business office hours. Copies of public records must be provided upon request and within a reasonable amount of time. A reasonable fee equal to the actual cost of the copy, excluding
staff time, may be assessed. A request for public records does not have to be in writing.

The board should adopt a policy regarding the release of library records for public inspection based upon Ohio Revised Code. Record access issues should be reviewed and clarified with this policy. Issues that could be clarified include the costs for reproducing records, if original records may be taken off library premises, where records can be inspected on-site, where records are stored, etc.

Numerous changes to Ohio’s Public Records Law and related statutes were enacted by the Ohio General Assembly through HB 9. Although signed into law by the governor in December 2006, specific provisions in the bill delayed the effective date of implementation until September 29, 2007. The main definition under the Public Records Law remains unchanged under HB 9. HB 9 requires all public offices to adopt public records policies in compliance with the Public Records Law for responding to public records requests. The Ohio Attorney General is required to develop and provide to all public offices a model public records policy. Each public office must designate an employee as the records custodian or records manager, or who would otherwise have custody of the records of that office. Each public office must create a poster that describes its public records policy. The poster must be displayed in a conspicuous place in the public office and in all locations where the public office has branches. The public office may also post the policy on its Internet Web site. In addition, all public offices that maintain a manual or handbook of general policies and procedures for all employees must include the public records policy in the manual or handbook.

For help with open records, there are resources available at the Auditor of State’s website (http://www.ohioauditor.gov/open/publicrecords.html).
Chapter 10
CONSTRUCTION

FINANCIAL PROCEDURES

Below is a list of procedures that are required to construct, demolish, alter, repair or reconstruct a library, or make any improvements or repairs when the cost will exceed $50,000, except in cases of urgent necessity or for the security and protection of library property (ORC 3375.41 - http://codes.ohio.gov/orc/3375.41).

For expenditures less than $50,000 it is wise to seek comparative prices but the two-week bidding procedure is not mandated by law. In many instances, informal bidding can be done or price quotations may be requested.

ORC 3375.41 does not apply to furnishings and equipment unless they are part of the total building project. The bidding requirements apply to “bricks and mortar,” that is, improvements to real estate. Such items as microfilm reader-printers, telephone systems, computers, and furniture are not under the competitive bidding statute and have no ceiling. However, it is a good idea to get the informal prices and to keep them on file in case a question should arise about the person or company who was awarded the job.

Public libraries are required to adhere to the Ohio Prevailing Wage Law in connection with construction contracts or other major building improvement projects (ORC 4115.05 - http://codes.ohio.gov/orc/4115.05).

Exemption from real estate taxes on real property acquired for public purpose (ORC 5713.08 - http://codes.ohio.gov/orc/5713.08, 5713.081 http://codes.ohio.gov/orc/5713.081). Contact your county auditor for the application to file with the Ohio Department of Taxation.

- ORC 5709.08 (http://codes.ohio.gov/orc/5709.08), 5709.12 (http://codes.ohio.gov/orc/5709.12+) and 5713.07 (http://codes.ohio.gov/orc/5713.07+) allow for exemption from real estate taxes, but you need to file an application with the Ohio Department of Taxation to have the property removed from the tax duplicate.
  - Each public authority planning to contract for professional design services shall publicly announce all contracts available for such services. ORC 153.65 (http://codes.ohio.gov/orc/153.65), 153.67 (http://codes.ohio.gov/orc/153.67), 153.69 (http://codes.ohio.gov/orc/153.69).

- Bidding procedures.
  - Bidding is covered by ORC 3375.41 (http://codes.ohio.gov/orc/3375.41), which states that libraries are required to bid when the library board of trustees determines “to construct, demolish, alter, repair, or reconstruct a library or make any improvements or repairs, the cost of which will exceed $50,000, except in cases of urgent necessity or for the security and protection of library property.”
Advertising for bids must be printed in a newspaper of general circulation for two weeks, one time each week. The ad must be part of the minutes record, and the awarding of the bids also must be part of the library board meeting minutes record.

Make sure you keep a record of the ad publication for audit. Ask the newspaper to send you an affidavit.

Construction trade plan houses, such as the Dodge Report, are widely circulated throughout the design and construction fields. Placing your announcement and bid specification notice there will provide wide exposure at little or no direct cost.

Receiving bids – sealed bids to be received by the fiscal officer by 12:00 P.M. of the day as stated in the advertisement (ORC 3375.41 - http://codes.ohio.gov/orc/3375.41).

Bids should contain
- Base bid
- Bid bond or cashier’s check
- Certificate of insurance
- Bureau of Worker’s Compensation Certificate
- Affidavit of property tax (see sample in the Appendices)

Accepting and rejecting bids. The board must formally accept the lowest responsible bid. However, the issue of lowest and responsible can be a sticky one, so you should get advice before you reject the lowest bid and accept one that is higher.
- Minute records must contain a listing of all bidders and who was awarded the contract.
- Notify those bidders whose bids are rejected.
- See sample bid rejection notification form in this handbook.
- Most contracts will be the standard AIA document with reference to the construction manual. Contracts should always be reviewed by your legal counsel.
- The library issues notice of commencement to contractors once contracts are signed and approved by the library board. Many libraries choose to record this document with the County Record’s Office, but this procedure is not required by the ORC. Notice of furnishing is provided to the library by the contract within 10 days of receipt of commencement. For further information on these documents (ORC 1311.04 subsection J - http://codes.ohio.gov/orc/1311.04+).

Retainage
- Must be placed in interest-bearing escrow account with reference to the contractor’s name in the title of account (ORC 153.63 - http://codes.ohio.gov/orc/153.63).

Prevailing wage law and Prevailing Wage Coordinator.
- The library board of trustees must determine who will represent them as the Prevailing Wage Coordinator. Usually this duty is given to the fiscal officer. The Prevailing Wage Coordinator must maintain certified payroll records of all workers on the building project.
Copy of laws and current thresholds can be obtained from the Ohio Department of Commerce, Wage and Hour Bureau. See also Ohio Administrative Code 4101-9.

- Exemption from real estate taxes on real property acquired for public purpose (ORC 5713.08 - http://codes.ohio.gov/orc/5713.08, 5713.081 - http://codes.ohio.gov/orc/5713.081).
  - ORC 5709.08 (http://codes.ohio.gov/orc/5709.08), 5709.12 – (http://codes.ohio.gov/orc/5709.12+), and 5713.07 (http://codes.ohio.gov/orc/5713.07+) allow for exemption from real estate taxes, but you need to file an application with the Ohio Department of Taxation to have the property removed from the tax duplicate.
  - Contact your county auditor for the application to file with the Ohio Department of Taxation.

- Each public authority planning to contract for professional design services shall publicly announce all contracts available for such services. See ORC 153.65 (http://codes.ohio.gov/orc/153.65), 153.67 (http://codes.ohio.gov/orc/153.67), 153.69 (http://codes.ohio.gov/orc/153.69).

For expenditures less than $50,000, it is wise to seek comparative prices. In many instances, informal bidding can be done or price quotations may be requested.

ORC 3375.41 (http://codes.ohio.gov/orc/3375.41+) does not apply to furnishings and equipment unless they are part of the total building project. The bidding requirements apply to “bricks and mortar,” that is, improvements to real estate. Such items as microfilm reader-printers, telephone systems, computers, and furniture are not under the competitive bidding statute and have no ceiling. However, it is a good idea to get multiple quotes and to keep them on file in case a question should arise about the person or company who was awarded the job.
OPEN MEETINGS ACT

As public entities, meetings of the library board, its committees, and subcommittees must be held in open meetings as prescribed in ORC 121.22. [http://codes.ohio.gov/orc/121.22](http://codes.ohio.gov/orc/121.22)

Following are general open meeting guidelines.

Also see Ohio Sunshine Laws.

For more resources on the Open Meetings Act and Ohio Sunshine Laws, see the Auditor of State’s website. [http://ohioauditor.gov](http://ohioauditor.gov)

Information is also available on the Ohio Attorney General’s website. [http://www.ohioattorneygeneral.gov](http://www.ohioattorneygeneral.gov)


All three of the following characteristics must be present for the gathering to be a meeting for purposes of the open meeting law:

- A prearranged gathering
- Attended by the majority of the public body
- For the purpose of conducting, transacting, deliberating or discussing public business
  - Conference calls or video conferencing are prohibited at this time, a member must be present in person to deliberate or vote
  - Fact finding or information gathering do not have to be held in open session
  - Work sessions are considered public meetings

Additionally, the following provisions of the law must be satisfied:

- Appropriate Notice – proper notice depends on the type of meeting the library is conducting
  - Regular Meetings: a meeting held at a prescheduled interval, the library must establish by rule a reasonable method that allows the public to determine the time and place of the regular meetings. For example, bylaws might state that the board of trustees meets the 3rd Thursday of every month at 7:30 AM in the board room at XYZ Location.
  - Special Meetings: a special meeting is any meeting other than a regular meeting and requires at least 24 hours’ notice to the news media who have requested notification and to persons who have specifically requested notification. The notice must disclose the time, place and purpose of the meeting.
  - Emergency Meetings: a special meeting that is convened because a situation requires immediate office action. The library must notify all media outlets that have requested notification and must provide the time, place and purpose of the meeting.
• An Audit Conference conducted with an Audit Committee by the Auditor of State or an independent public accountant may be closed to the public and need not be in an executive session.

• Openness: The library must conduct its meetings in a venue that is open to the public. A meeting is not “open” where the doors to the facility are locked. Where space is too limited to accommodate all interested members of the public, closed circuit television may be acceptable. The meeting place must be accessible to those individuals with disabilities.

• Exceptions to Openness:
  
  ▪ Personnel: The library board may adjourn to executive session to consider the appointment, employment, dismissal, discipline, promotion, demotion or compensation of a public employee. The purpose must be specified in the motion to adjourn to executive session.
  
  ▪ Property: The library board may adjourn to executive session to consider the purchase or sale of real or personal property, whether it is tangible or intangible.
  
  ▪ Court Action: The library board may adjourn to executive session with the library’s attorney to discuss pending or imminent court action.
  
  ▪ Collective Bargaining: The library board may adjourn to executive session to prepare for, conduct or review collective bargaining strategy.
  
  ▪ Confidential Matters: The library board may adjourn to executive session to discuss matters required to be kept confidential by federal law or rules or state statute.
  
  ▪ Security Matters: The library board may adjourn to executive session to discuss details of security arrangements or emergency procedures where the disclosure could be expected to jeopardize the security of the library or library staff.

• The motion to move into executive session must specifically identify the reason for the executive session. There must be a board motion, second and roll call vote to enter into executive session. The library board must take no formal action in the executive session.

• Minutes: The library must keep full and accurate minutes. This means that they must contain sufficient facts and information to permit the public to understand and appreciate the rationale behind the relevant decision.

  ▪ The Auditor of State’s office has a handout entitled: *Drafting Minutes, Suggestions from Auditor of State Mary Taylor*. Minutes do not have to detail discussions held during executive session, they need only reflect the general subject matter of the executive session. The library must promptly prepare, file and maintain the minutes. Minutes must also be open for public inspection. See the Records Retention and Management section of this handbook for more information on Management.
Chapter 12
AUDITING

AUDIT MATERIALS

An audit of the library’s accounting records is conducted generally every two years if the library is reporting on a cash basis, provided the library has received no federal funding. If federal funds are received, the library may qualify for a yearly audit under the Federal Single Audit Act of 1984. For those libraries reporting on a GAAP (Generally Accepted Accounting Principles) basis, the audit is conducted yearly. For more information about the differences of cash basis vs. GAAP (see the Reporting section of this handbook).

The following are items that you should have ready in advance for the auditors.

Minute Book

- It is a good practice to have an index to the minute book including all resolutions, each with a brief description.
- Be sure that the election of the fiscal officer and the appointment of the deputy fiscal officer and their salaries are authorized by resolution and that the bond coverage goes from organizational meeting of the current year to the organizational meeting of the following year.
- Resolutions must be passed to authorize the fiscal officer to pay all necessary bills, establish funds, and make investments for the library.
- Resolutions must be passed accepting any donations and gifts and these amounts must accurately reflect those recorded in the receipts ledger.
- If interest on investments is to be posted to a fund other than the fund from which it is earned, the board must pass a resolution to that effect. Currently, the Auditor of State’s opinion on this is that interest should only be posted to the General Fund, but may later be transferred to another fund by board resolution.
- Make certain that all appointments, merit increases, vacation, and sick leave authorizations agree with your payroll entries.
- All minutes must be signed by the library board president and by the library board secretary (or those persons acting in their capacity in case of absences) to attest to their accuracy.

Narrative on Procedures

It is suggested that you write a formal narrative for step-by-step procedures for accountability regarding investment procedures, handling of receipts, expenditures, inventory, and payroll. Include such information as:

- Investments
  - Explain how you contact financial institutions regarding becoming a depository for interim or active funds, who decides how funds will be
- Have an investment policy.

**Receipts**
- Explain procedures that persons handling the money must follow.
- If copy machines are used by the public and are coin-operated, explain how you reconcile money collected with number of copies made.
- Account for any other receipts, such as gifts and state revenue, and report who receives the money and how it is recorded.

**Expenditures**
- Explain step-by-step procedures including who initiates the expenditure and approves requisitions, assigns purchase order (P.O.) numbers, encumbers, types (or prints) the P.O., approves payment, pays bills, and the filing method for checks/vouchers and invoices.

**Inventory**
- Explain how you keep your inventory, assign inventory numbers, delete and add items, or transfer location of assets where applicable, etc.

**Payroll**
- Explain your payroll process, how times/hours worked by employees are recorded on time sheets or timecards, what the approval process is, any special procedures for requesting and approving adjustments from scheduled times/hours such as employee leaves, what the process is once the records are received by the fiscal officer all the way through to the distribution of checks for wages, deductions, taxes, etc.

**Internal control**
- Explain how each of the above areas is safeguarded from errors and misconduct.

**Investments**

Keep a file folder on all depository and repurchase agreements as well as a folder on pledged collateral or statements representing the pool of securities.

Keep all certificates of deposit (CDs) in a secure safe place with copies of the CDs at the library to prove their existence and for reference purposes.

Make sure your investment ledger reflects account numbers, interest rate, and length of time to maturity of each investment. (Refer to the Banking and Investments section in this handbook.)

**Bank Reconciliations**
- Keep all bank statements and bank reconciliations in chronological order.
- Keep all canceled checks in numerical order. Include any voided checks in the numerical order, making sure voided checks have the signature area cut out.
- Keep all duplicate deposit slips in chronological order.
- Have outstanding check lists available and see that they include the check number, date, and amount.
• For better internal control, if staffing time and ability allows, have a different staff member reconcile the bank statement several times a year and sign the reconciliation.

• If the bank statement includes any unusual item, a description of the item should be included on the reconciliation.

Other Items to Have Ready for the Auditor

• Documentation for receipts (daily tally sheets or cash register tapes).

• Bonds and insurance coverage documentation.

• Information on lawsuits pending or settled during the audit period.

• Annual Budget, Certificates of Estimated Resources, and Certificates of county auditor that the Appropriation Does Not Exceed the Official Estimate of Balances and Revenues.

• Annual financial report to Auditor of State and monthly financial reports to the board of library trustees.

• Temporary and permanent appropriations and any amendments for board approved modifications.

Accounting Records (cash journal, receipts, and appropriation ledgers)

• Payroll information – time sheets or timecards, sick leave and vacation records, tax information (federal, state, city), OPERS reports, accumulated and unpaid vacation and sick leave balances, etc.

• Organizational chart, salary schedules, staff handbook, current policies.

• Documentation regarding trusts, endowments, and federal funds.

• Fixed assets inventory.

Additional Suggestions

• Any written policies will save time in dealing with the auditor because the policies explain procedures and practices. Copies can be provided for easy reference.

• Vouchers/checks should be filed with supporting documentation for the expenditure (P.O., invoice, etc.).

• Obtain an audited financial statement from any outside providers of services such as payroll, self-insurance, deferred compensation, etc. Check with your auditors during the pre-audit conference as to how this affects your library.

• Everyone makes mistakes. When you correct errors, leave a clear audit trail. Thoroughly document the correcting entries and the rationale for your actions.

The Single Audit Act

• The federal government requires that recipients of federal funds be audited and that the reports be filed with the applicable federal agency.
• The Single Audit Act of 1984 (Public Law 98-502) mandates that state and local governments receiving a certain amount (this will be $300,000 in 1997) or more in any fiscal year in federal financial assistance (either directly or indirectly) obtain annual audits. Pursuant to the Single Audit Act, the Office of Management and Budget (OMB) issued Circular A-133 which defines federal agency responsibilities for implementing and monitoring the requirements of the Single Audit Act.

• OMB Circular A-133 and required single audits of state and local governments pursuant to administrative policy.

• The State Library’s responsibilities toward the subrecipient libraries (those libraries in Ohio awarded Library Services and Construction Act [LSCA] or Library Services and Technology Act [LSTA] funds) remain the same as defined in Circular A-133. The State Library is required to ensure that subrecipient libraries adopt the requirements of Circular A-133 and provide proper reporting to the cognizant federal agency. Guidelines for understanding and compliance with the Single Audit Act of 1984 have been developed for the subrecipient libraries. Contact the State Library of Ohio for more information.

Independent Auditor

The Ohio Auditor of State’s Office administers a competitive process whereby registered Independent Public Accountants (IPAs) may submit proposals to perform financial audits on certain government entities. For a current listing of entities that have been granted approval to use an IPA, please see the IPA BID LIST (http://ohioauditor.gov/ipa/contracting.html). Registered firms may contact the designated government entities to express an interest in receiving their Request For Proposal (RFP). Libraries will select no less than three firms to receive the RFP.

Audit Committee

The Auditor of State recommends that all public entities establish an Audit Committee to serve as a liaison between management and its auditors.

The primary function of this committee is to monitor and review the library’s accounting and financial reporting practices and to follow-up on citations and recommendations made by its auditors. The Audit Committee should consider conducting a comprehensive self-evaluation on an annual evaluation.

The Audit Committee should be actively involved in:
• Meeting with the library’s independent auditors before and after each audit;
• Monitoring the progress of the financial and compliance audit;
• Evaluating the results of the financial and compliance audit; and
• Ensuring that the internal control and legal compliance issues identified in the audit are promptly and effectively remedied.

In addition, the Audit Committee should meet regularly (perhaps quarterly) to monitor the library’s legal compliance, financial condition and controls over the safeguarding of board assets.

The Audit Committee should be appointed by the board of trustees.

The committee should include the fiscal officer and may include members of the board of trustees. The committee should also include representation that is independent from appointed officials or management and may include professionals knowledgeable in the
library’s financial operations, such as attorneys and bankers. For more information on Audit Committees contact the Auditor of State.

**Ohio Compliance Supplement**

Ohio Compliance Supplement is published annually online and on CD by the Auditor of State’s office. It lists public entity compliance requirements and is used by auditors during an audit. It is a good reference for information on laws requirements and procedures for Ohio’s public entities. For the Ohio Compliance Supplement, visit the Auditor of State’s Web site ([http://www.auditor.state.oh.us](http://www.auditor.state.oh.us)).
Minutes – Please refer to sections on Auditing and Open Meetings Act in this handbook.

FINANCIAL REPORTING BASIS: CASH VS. GAAP

There are two types of reporting procedures that libraries may use. Cash (budgetary) basis accounting, where receipts are recognized when received rather than when earned and disbursements when paid rather than when a liability is incurred, and Generally Accepted Accounting Principles (GAAP), accrual or modified accrual basis accounting. A library district that desires to report under GAAP must use the modified accrual basis of accounting for governmental funds and agency funds. The accrual basis of accounting must be used for the proprietary funds also.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; both measurable and available. Available means collectible with in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long term debts which are recorded when due, are recorded when the liability is incurred. Using GAAP accounting will not change your day-to-day operations, since the conversion of figures is done at year-end only.

Examples of major differences between Cash and GAAP basis can be described as follows:
   a. Revenues are recorded when received in cash (cash basis) as opposed to when susceptible to accrual as in GAAP basis
   b. Expenditures are recorded when paid in cash (cash basis) as opposed to when the liability is incurred as in GAAP basis
   c. Encumbrances are recorded as the equivalent of expenditures (cash basis) as opposed to a reservation of fund balance as in GAAP basis

The Auditor of State does not require that libraries use GAAP for reporting purposes, though many larger public libraries do report according to GAAP. However, in April of 2005, the Auditor of State’s office released a bulletin notifying libraries that in order to receive an unqualified audit opinion, financial statements must be presented in an OTHER COMPREHENSIVE BASIS OF ACCOUNTING (OCBOA) or a GAAP Look-A-Like format. Libraries are not required to file or prepare their statements in a GAAP Look-A-Like format, however, if they do not, they will receive a dual audit opinion. Please refer to section on GAAP Look-A-Like reporting. The Auditor of State has information and sample statements on its website (http://ohioauditor.gov).

FINANCIAL REPORTS

Reporting to the Board of Library Trustees

ORC 3375.36 (http://codes.ohio.gov/orc/3375.36+) states that the fiscal officer shall “render a statement to the board monthly showing the revenues and receipts from whatever sources derived the disbursements and the purposes for such disbursements, and the assets and liabilities of the board. At the end of each fiscal year the fiscal officer shall submit to the board a complete financial statement showing the receipts and expenditures in detail for the entire fiscal year.” Basic financial information that should be presented in monthly board reports is as follows:
1. Month to date beginning fund balances, changes in fund balance and the balance before encumbrances (unexpended balance) and after encumbrances (unencumbered balance)
2. Bank reconciliations (cash positions)
3. Month to date/year to date revenue against budgeted revenue
4. Month to date/year to date appropriations against budgeted appropriations less outstanding encumbrances for an unencumbered balance by fund (appropriations should be shown at the same level as budgetary documents)
5. Investment Report
6. Listing of Checks (expenditures) for the month is optional

**Annual Report to the Auditor of State**

Libraries should automatically receive blank forms from the Auditor of State annually for reporting on a cash basis. Forms must be completed and returned to the Auditor of State by February 28 for the previous year’s financial reporting. A public notice is to be published by February 28 of each year stating that the completed annual financial report is available for inspection at the office of the fiscal officer. Following is sample wording for this notice:

*The annual financial report of the XYZ Public Library has been completed. The report is available for inspection at the office of the fiscal officer, address, city, state, zip code during regular business hours.*

Libraries that choose to prepare their financial reports in a GAAP Look-A-Like display format must submit the GAAP financial statements before February 28 in order to fulfill the filing requirement. The Management Discussion and Analysis (MD&A) and Notes to the financial statements are not required to be submitted with the financial statements, but must be prepared and presented for the audit.

**Calendar of Reporting Dates**

A calendar of reporting dates is available in the Appendices.

**GAAP LOOK-A-LIKE REPORTING (OCBOA)**

In April of 2005, Bulletin 2005-002 was issued by the Auditor of State’s (AOS) office in response to a recent AICPA interpretation. This bulletin notified libraries that in order to receive an unqualified audit opinion, financial statements must be presented in an OTHER COMPREHENSIVE BASIS OF ACCOUNTING (OCBOA) or GAAP Look-A-Like format. Libraries are not required to file or prepare their statements in a GAAP Look-A-Like format, however, if they do not, they will receive a dual audit opinion.

According to the AICPA interpretation, governments that prepare their financial statements on a cash basis must adjust their statements to substantially conform with the display and applicable disclosure requirements of GAAP in order to avoid an adverse opinion. The interpretation says that cash basis financial statements must “look like” a GAAP presentation (i.e., GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis of State and Local Governments*). If a library chooses not to adjust their statements to substantially conform, the AOS or contracted independent public accountant (IPA) firm is required to issue an adverse opinion. An adverse opinion means the auditor is telling readers that they cannot rely on the amounts, footnotes or presentations in the financial statement as conforming to GAAP requirements.
Because libraries are not legally required to prepare their financial statements in accordance with GAAP and elect not to present “look-a-like” statements, the AOS or IPA will render a second opinion at the same time it issues the adverse opinion. In other words, when the cash statements do not resemble a GAAP presentation, the auditor will also issue a second opinion based on the statements as they were prepared. Therefore, the library would receive two opinions as part of their audit report if their cash statements do not look like GAAP statements.

GASB 34 requires presenting two sets of financial statements. The first is for the entity as a whole and the second is still based on fund reporting. Government-wide presentation is designed to show the government’s financial activities consolidated into one to three categories, which separately present governmental activities, business-type activities, and discrete component units as applicable.

Major Sections of GAAP Look-A-Like statements are as follows:

- Management’s Discussion and Analysis
- Government Wide Financials Statements
  - Statement of Net Assets – Cash Basis
  - Statement of Activities – Cash Basis
- Governmental Fund Financial Statements
  - Statement of Cash Basis Assets and Cash Basis Fund Balances
  - Statement of Cash Receipts, Cash Disbursements & Changes in Cash Basis of Fund Balance – Governmental Funds
  - Statement of Cash Receipts, Cash Disbursements & Changes in Cash Basis Fund Balance, Budget & Actual – Budget Basis – General Fund
- Notes to the Basic Financial Statements

The purpose of Management’s Discussion and Analysis (M D & A) is to provide users of the basic financial statements with a narrative introduction, overview and analysis of the financial statements. It explains the basic financial statements and provides comparative data analysis. This section gives the library an opportunity to explain changes in revenue or expenditures in terms that a general user can understand. M D & A provides an opportunity to explain to users changes in economic factors and budget variances. M D & A is required supplementary information and therefore is not audited. However, generally an auditor will review the M D & A for content.

Government-wide financial statements show operational accountability, which is the extent to which the government has met their operating objectives efficiently and effectively – using all resources available for that purpose and to help determine whether they can continue to meet their objectives for the foreseeable future (operational accountability). Government-wide financial statements report governmental activities separately from proprietary activities.

Governmental Fund financial statements include General Fund, Special Revenue, Capital Projects, and Permanent Funds. Fund financial statements provide detailed information about the library’s major funds. Fund financial statements demonstrate fiscal accountability, legal compliance, and justification of actions in the current period.

Notes to the Basic Financial Statements provide necessary disclosures including information on significant accounting policies.
GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Assets – Cash Basis

The government-wide Statement of Net Assets is the basic government-wide Statement of Position. The Statement of Net Assets presents all of an entity’s permanent accounts. The financial information is reported without designating between funds and fund types. The Statement of Net Assets shows the total assets and net assets broken down (restricted for) by governmental activities and business-type activities. There is also a separate column for any component units. Fiduciary Fund activity is not included in the Statement of Net Assets.

Statement of Activities – Cash Basis

The government-wide Statement of Activities is used to report changes in the net assets reported on the government-wide Statement of Net Assets. The financial information is reported without designating between funds and fund types. The Statement of Activities compares expenses to their related revenue by individual functions and broken down by governmental activities and business-type activities. There is also a separate column for any component units. Fiduciary Fund activity is not included in the Statement of Net Assets.

GOVERNMENT FUND FINANCIAL STATEMENTS

Statement of Cash Basis Assets and Cash Basis Fund Balances

The fund financial statement of cash basis assets and cash basis fund balances provides financial information for governmental funds (General, Special Revenue, Capital Projects, Debt Service and Permanent funds). This statement displays the current financial resources as total assets and total fund balances for the General Fund and all funds designated as major funds in its own column. All other non-major funds are shown in an aggregate column.

Statement of Cash Receipts, Cash Disbursement and Changes in Cash Basis Fund Balance – Governmental Funds

The fund financial statement of cash receipts, cash disbursement and changes in cash basis fund balance provides financial information for governmental funds (General, Special Revenue, Capital Projects, Debt Service and Permanent Funds). This statement has three main parts: Receipts, Disbursements and Other Financing Sources (Uses). The General Fund and all major funds are broken out into their own column. All other non-major funds are broken out into their own column.

Statement of Cash Receipts, Cash Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis

The fund financial statement of cash receipts, cash disbursements and changes in cash basis fund balance – budget and actual – budget basis is a budgetary statement. This statement presents the original and final budget amounts as well as actual inflows and outflows. There is also a column for the variance between the original and final budgets. This statement provides information for the General Fund and all major Special Revenue Funds.

The Statement of Activities – Cash Basis, the Statement of Cash Receipts, Cash Disbursements and Changes in Cash Basis Fund Balance – Governmental Funds and the Statement of Cash Receipts, Cash Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis are program driven. In terms related to GAAP, a
"program" is not necessarily defined in the same way a library would generally define it. For GAAP reporting purposes a program is a function. Examples of appropriate functions would be Collection Development/Processing and Facilities Operations/Maintenance.

**GASB 54**

The Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, introduced five fund balance classifications and clarifies the existing governmental fund type definitions. The fund balance classifications relate to constraints placed upon the use of resources reported in governmental funds. The five classifications are nonspendable, restricted, committed, assigned and unassigned.

The following are the definitions of the five fund balance classifications:

**Nonspendable Fund Balance**: The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

**Restricted Fund Balance**: The restricted classification is used when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments (i.e., State Statutes); or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed Fund Balance**: The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority.

**Assigned Fund Balance**: Assigned fund balance includes amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed.

**Unassigned Fund Balance**: Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

**Nonspendable Fund Balance**

The nonspendable definition addresses two components of nonspendable fund balance – (a) not in spendable form or (b) legally or contractually required to be maintained intact. Items are considered "not in spendable form" if they are not expected to be converted to cash; examples include inventories and prepaid amounts. Long-term loans and notes receivable, as well as property acquired for resale are also considered "not in spendable form." However, if once the receivables are collected or the assets are sold the proceeds are restricted, committed, or assigned, then those amounts should be included in the appropriate fund balance classification (restricted, committed, or assigned) rather than nonspendable fund balance. The principal reported in a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

**Restricted Fund Balance**

The restricted fund balance definition addresses enabling legislation. GASB 54 defines enabling legislation as follows:
Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stated in the legislation. Legal enforceability means that a government can be compelled by an external party—such as citizens, public interest groups, or the judiciary—to use resources created by enabling legislation only for the purposes specified by the legislation.

**Committed Fund Balance**

Committed fund balance amounts are internally imposed by the governing body. Once an amount is committed, it cannot be used for any other purpose unless the government, by taking the same type of action (resolution or ordinance), removes or changes the constraint. The difference between restricted and committed fund balance is committed fund balance constraints are imposed by the local government, separate from the authorization to raise the underlying revenue, and compliance with constraints imposed by the local government is not considered to be legally enforceable. Restricted fund balance constraints are externally imposed or are enacted through enabling legislation and are legally enforceable. Committed fund balance should also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The type of contractual obligations that would meet the committed criteria would be a contract awarded by resolution or through the bid process authorized by resolution of the governing board. Typically, this issue will be limited to the general fund because of its residual (unassigned) fund balance classification.

**Assigned Fund Balance**

Appropriations (in governmental funds other than the general fund, assigned fund balance is the default classification which represents the remaining amount that is not restricted or committed. The assigned fund balance definition addresses the government’s intent. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

The governing body’s intent may be expressed by a motion, but not by formal action such as a resolution or ordinance. In other words, a formal legislative process is not needed to add, remove, or modify assigned amounts. In a School District, a board policy indicating intended use of certain fees or charges for services would be considered an assignment. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed. Some governments may not have both committed and assigned fund balances, as not all governments have multiple levels of decision-making authority.

When the appropriation measure is adopted for the subsequent year, if a portion of existing fund balance is included as a budgetary resource, then that portion of fund balance should be classified as assigned. Stated differently, if temporary or annual) exceed estimated receipts (not resources), the excess is to be assigned as it uses existing fund balance at year-end. This would be applicable to the general fund as it is the only fund with a positive unassigned fund balance.

**Unassigned Fund Balance**

Unassigned fund balance is the residual classification for the general fund. In governmental funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from expenditures exceeding amounts that have been restricted, committed, or assigned. If a deficit exists, there should be no amounts reported in any other fund balance classifications.
**Encumbrances**
Accounting for encumbrances will continue; however, reserved for encumbrances will no longer appear on the financial statements. Encumbered amounts will be included in the restricted, committed, and assigned fund balance classifications. Issuing a purchase order assigns the amount of the purchase order to a specific purpose; thus, the outstanding encumbrance amount is included in assigned fund balance, unless the purchase order relates to restricted or committed resources. If resources have already been restricted or committed for encumbrances, the encumbered amounts will be included with restricted or committed resources. Encumbrances cannot further restrict or commit resources.

**OCBOA and Regulatory Financial Statements**
Libraries preparing OCBOA and regulatory statements are required to use both the fund balance classifications and the governmental fund type definition.

Chapter 14
ETHICS

ETHICS RESPONSIBILITIES

As a public funds manager, an important part of fulfilling your responsibility is having a clear understanding of the parameters set by Ohio Ethics Law. The Ethics Law attempts to protect the public from personal and business conflicts of interest of those involved in public decision-making processes. Efforts to perform the duties of fiscal officer including maximizing impact and minimizing risk in your investment, accounting, and purchasing strategies must be supported by actions to assure the highest level of public trust, free of personal gain, and conflicts of interest.

A copy of the Ohio Ethics Law must be provided to all employees and to all newly appointed Board members within 15 days of employment (http://www.ethics.ohio.gov). Best practice is to have employees sign that they have received the copy of the Ethics Law. The Ethics Commission also has a General Information Fact Sheet that is helpful to give to employees.

If you have any doubt about the application of the Ethics Law, seek guidance from your agency’s legal advisor or the Ethics Commission prior to taking any action. Written opinions from the commission provide the public official or employee, and any other public servant similarly situated, who follows the opinion with immunity from civil action, criminal prosecution, and removal from office. Fiscal officers are encouraged to:

- Avoid all conduct that creates even the appearance of impropriety.
- Promote the adoption of an ethics policy that extends beyond the Ohio Ethics Law by your library.
Chapter 15
OTHER

LEGAL COUNSEL

The County Prosecutor is the statutory legal counsel for public libraries in Ohio (ORC Section 309.09 - http://codes.ohio.gov/orc/309.09). The library board of trustees may approve contracting with outside counsel to represent the library (ORC Section 309.10 - http://codes.ohio.gov/orc/309.10). Outside counsel is recommended when the prosecuting attorney is unable to serve or is an adversely interested party, or when legal action is between two or more boards of public entities in the same county. An approval from the library board for retaining outside legal counsel should be made for each situation when counsel other than the county prosecutor is retained. Library boards may use their county prosecutors in all matters where the library’s interest will be best served by their counsel since this remains the best option for many types of opinions.

AUTOMATED FINANCIAL ACCOUNTING

The Auditor of State’s office does not issue approval on specific computer hardware or software. Libraries are required to have software that meets the audit standards. The Uniform Accounting Network (UAN), which consists of hardware and software, may be an option for your library to consider and is available from the Auditor of State’s office. Other vendors used by libraries include Creative Microsystems, Inc. (CMI), KVS Information Systems, Inc., and SSI Consulting.

DISASTER RECOVERY PLAN FOR FINANCE FUNCTIONS – GUIDELINES

Due to the importance of documents and computerized functions that are the responsibility of the library fiscal officer, it is highly recommended that a Disaster Recovery Plan for finance functions be implemented in every public library. This plan should be used in conjunction with the library’s general disaster recovery plan. Although every plan should be tailored to meet each individual library’s needs, below is a suggested list of items to address in the plan:

A. The Plan – how should the library respond to a disaster?
   1. Develop a plan – who is responsible for emergencies involving library finances?
   2. Develop procedures such as a calling tree
   3. Store at least one copy of the plan off-site in the event the library building is not accessible

B. Critical Personnel – who would be able to perform emergency finance functions?
   1. Fiscal officer, deputy fiscal officer, others
   2. Agreement with another library fiscal officer if no other person available
   3. Software provider may be able to assist
   4. Library computer systems’ manager involvement

C. Critical Documents – includes paper items, as well as those stored on microfilm, disks, CD-ROMs, computer hard-drives, backup tapes, and other media
   1. Most items listed as Permanent on Records Retention Policy are most valuable
2. Are originals or duplicates of critical documents stored off-site?
3. Can documents be recreated easily?

D. Critical Software – includes both system software and latest data for Accounting, Payroll, Human Resources, Board Minutes, spreadsheets, and other systems
   1. Software vendor names, emergency contact information
   2. Location of backup tapes stored off-site to restore system software and data
   3. Agreement with alternate site (another library?) where critical functions such as payroll can be run in an emergency

E. Critical Hardware – is it possible to quickly replace hardware in an emergency?
   1. Servers on which to install software system and data
   2. PC to run payroll, other functions
   3. Printers to print checks if needed
   4. Agreement with alternate site where hardware may be used in emergency
Appendix A
AGENCIES, PROFESSIONAL ORGANIZATIONS, AND WEB SITES

AGENCIES

Ohio Auditor of State
https://ohioauditor.gov
88 E. Broad Street, 5th Floor
Columbus, OH 43215
(800) 282-0370

Board of Tax Appeals
http://bta.ohio.gov/
30 E. Broad Street, 24th Floor
Columbus, OH 43215-3414
(614) 466-6700

Ohio Bureau of Workers Compensation
http://www.ohiobwc.com/
300 W. Spring Street
Columbus, OH 43215-2256
(800) 644-6292

Internal Revenue Service

Medicare Withholding
http://www.socialsecurity.gov/
Social Security – General W-2 Filing Information
http://www.ssa.gov/employer/gen.htm
(800)772-1213

Ohio Department of Jobs and Family Services
http://jfs.ohio.gov/ouc/index.stm

Ohio Civil Rights Commission
http://crc.ohio.gov/
30 East Broad Street, Fifth Floor
Columbus OH, 43215
614-466-2785
1-888-278-7101

Ohio Department of Taxation
http://tax.ohio.gov/

Ohio Public Employees Deferred Compensation Program
http://www.ohio457.org
257 East Town Street, Suite 457
Columbus, Ohio 43215-4626
1-877-644-6457
Occupational Safety & Health Administration (OSHA)
U.S. Dept. of Labor
http://www.osha.gov/

Ohio Department of Commerce
Division of Industrial Compliance and Labor
http://www.com.ohio.gov/dico/ (Prevailing wage, minimum wage, overtime laws)
6606 Tussing Road
Reynoldsburg, OH 43068
614.644.2223

Ohio Public Employees Retirement System (OPERS)
http://www.opers.org
277 E. Town St.
Columbus, OH 43215-4642
1-800-222-PERS (7377)
Social Security Administration
http://www.ssa.gov
Contact your local office or
(800) 772-1213

State Employment Relations Board (SERB)
http://www.serb.state.oh.us/
65 E. State St., Suite 1200
Columbus, OH 43215-4213
(614) 644-8573

State Library of Ohio
https://library.ohio.gov/
274 E. First Avenue
Columbus, OH 43201
(614) 644-7061

State Treasury Asset Reserve of Ohio (STAR Ohio)
http://www.tos.ohio.gov/starohio
Treasurer of State of Ohio
30 E. Broad St., 9th Floor
Columbus, OH 43266-0421
(614) 466-2160
(800) 228-1102

U.S. Dept. of Labor, Wage and Hour Division
http://www.dol.gov/
200 Constitution Ave. NW
Washington, DC 20210
(866) 487-9243

U.S. Equal Employment Opportunity Commission (EEOC)
http://www.eeoc.gov

Associations
Ohio Government Finance Officers Association (GFOA)
http://www.ohgfoa.com/
17 S. High Street, Suite 200
http://codes.ohio.gov/orc
Search/print the ORC

Ohio Public Employees Deferred Compensation Program
http://www.ohio457.org
Employer/employee membership information, retirement information

Ohio Public Employees Retirement System (OPERS)
http://www.opers.org/
Employer/employee information, forms and publications, retirement information

Ohio Treasurer of State
http://www.ohiotreasurer.org
Investment policies, continuing education requirements, exemption forms, STAR Ohio

State Library of Ohio
http://library.ohio.gov/
Ohio library directories, statistics, policies, continuing education, job listings
Appendix B
ANNUAL APPROPRIATION RESOLUTION SAMPLE

The Board of Trustees of the [name] Public Library, [name] County, Ohio, met in Regular/Special session on the [date] day of [month], [year], at the office of the library with the following members present:

moved the adoption of the following Resolution:

BE IT RESOLVED by the Board of Library Trustees of the [name] Public Library, [name] County, Ohio, that to provide for the current expenses and other expenditures of said Board of Library Trustees, during the fiscal year, ending December 31, [year], the following sums be and the same are hereby set aside and appropriated for the several purposes for which expenditures are to be made for and during said fiscal year, as follows, viz:

That there be appropriated from the

GENERAL FUND

1000 - Salaries and Benefits
   1100 Salaries and Leave Benefits $ 
   1400 Retirement Benefits $ 
   1600 Insurance Benefits $ 
   1900 Other Employee Benefits $ 
   Total Salaries and Benefits $ 

2000 - Supplies
   2100 General Administrative Supplies $ 
   2200 Property Maintenance/Repairs, Supplies & Parts $ 
   2300 Motor Vehicle Fuel, Supplies, & Parts $ 
   2500 Supplies Purchased for Resale $ 
   2700 Warehouse Inventory Adjustments $ 
   2900 Other Supplies $ 
   Total Supplies $ 

### 3000 - Purchased and Contracted Services

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>3100</td>
<td>Travel and Meeting Expenses</td>
<td></td>
</tr>
<tr>
<td>3200</td>
<td>Communication, Printing and Publicity Services</td>
<td></td>
</tr>
<tr>
<td>3300</td>
<td>Property Maintenance, Repair &amp; Security Services</td>
<td></td>
</tr>
<tr>
<td>3400</td>
<td>Insurance</td>
<td></td>
</tr>
<tr>
<td>3500</td>
<td>Rents/Leases</td>
<td></td>
</tr>
<tr>
<td>3600</td>
<td>Utilities</td>
<td></td>
</tr>
<tr>
<td>3700</td>
<td>Professional Services</td>
<td></td>
</tr>
<tr>
<td>3800</td>
<td>Library Materials Control Services</td>
<td></td>
</tr>
<tr>
<td>3900</td>
<td>Other Contracts and Purchased Services</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total Purchased and Contracted Services</strong></td>
<td></td>
</tr>
</tbody>
</table>

### 4000 - Library Materials and Information

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4100</td>
<td>Books and Pamphlets</td>
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</tr>
<tr>
<td>4200</td>
<td>Periodicals</td>
<td></td>
</tr>
<tr>
<td>4300</td>
<td>Audiovisual Materials</td>
<td></td>
</tr>
<tr>
<td>4500</td>
<td>Computer Services and Information</td>
<td></td>
</tr>
<tr>
<td>4600</td>
<td>Inter-Library Loan Fees/Charges</td>
<td></td>
</tr>
<tr>
<td>4700</td>
<td>Library Material Repair and Restoration</td>
<td></td>
</tr>
<tr>
<td>4900</td>
<td>Library Materials - All Other</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total Library Materials and Information</strong></td>
<td></td>
</tr>
</tbody>
</table>

### 5000 - Capital Outlay

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
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<td>Land</td>
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<td>5200</td>
<td>Land Improvements</td>
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<tr>
<td>5300</td>
<td>Buildings</td>
<td></td>
</tr>
<tr>
<td>5400</td>
<td>Building Improvements</td>
<td></td>
</tr>
<tr>
<td>5500</td>
<td>Furniture and Equipment</td>
<td></td>
</tr>
<tr>
<td>5700</td>
<td>Motor Vehicles</td>
<td></td>
</tr>
<tr>
<td>5900</td>
<td>Other Capital Outlay</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total Capital Outlay</strong></td>
<td></td>
</tr>
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</table>

### 7000 - Other Objects

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7100</td>
<td>Dues and Memberships</td>
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</tr>
<tr>
<td>7200</td>
<td>Taxes and Assessments</td>
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</tr>
<tr>
<td>7300</td>
<td>Judgments and Finding</td>
<td></td>
</tr>
<tr>
<td>7500</td>
<td>Refunds and Reimbursements</td>
<td></td>
</tr>
<tr>
<td>7900</td>
<td>Other Miscellaneous Expenses</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total Other Objects</strong></td>
<td></td>
</tr>
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### 8000 - Contingency

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>8900</td>
<td>Contingency</td>
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<tr>
<td></td>
<td><strong>Total Contingency</strong></td>
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### 9000 - Interfund Transfers

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>9900</td>
<td>Transfers Out</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total Interfund Transfers</strong></td>
<td></td>
</tr>
</tbody>
</table>

### GRAND TOTAL GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
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## BUILDING FUND

### 1000 - Salaries and Benefits

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1100</td>
<td>Salaries and Leave Benefits</td>
<td>$</td>
</tr>
<tr>
<td>1400</td>
<td>Retirement Benefits</td>
<td>$</td>
</tr>
<tr>
<td>1600</td>
<td>Insurance Benefits</td>
<td>$</td>
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<tr>
<td>1900</td>
<td>Other Employee Benefits</td>
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</tr>
<tr>
<td></td>
<td><strong>Total Salaries and Benefits</strong></td>
<td>$</td>
</tr>
</tbody>
</table>

### 2000 - Supplies

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2100</td>
<td>General Administrative Supplies</td>
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<tr>
<td>2200</td>
<td>Property Maintenance/Repairs, Supplies &amp; Parts</td>
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</tr>
<tr>
<td>2300</td>
<td>Motor Vehicle Fuel, Supplies, &amp; Parts</td>
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<tr>
<td>2500</td>
<td>Supplies Purchased for Resale</td>
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<tr>
<td>2700</td>
<td>Warehouse Inventory Adjustments</td>
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<tr>
<td>2900</td>
<td>Other Supplies</td>
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</table>
### 5000 - Capital Outlay

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>5100 Land</td>
<td>$</td>
</tr>
<tr>
<td>5200 Land Improvements</td>
<td>$</td>
</tr>
<tr>
<td>5300 Buildings</td>
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<tr>
<td>5500 Furniture and Equipment</td>
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</tr>
<tr>
<td>5700 Motor Vehicles</td>
<td>$</td>
</tr>
<tr>
<td>5900 Other Capital Outlay</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Capital Outlay</strong></td>
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</table>

### 6000 - Debt Service

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>6100 Redemption of Principal</td>
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<tr>
<td>6200 Interest Expense</td>
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<tr>
<td>6500 Financing Fees and Expenses</td>
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<td>6900 Other Debt Service Payments</td>
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<tr>
<td><strong>Total Debt Service</strong></td>
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### 7000 - Other Objects

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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<tbody>
<tr>
<td>7100 Dues and Memberships</td>
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<tr>
<td>7200 Taxes and Assessments</td>
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<tr>
<td>7300 Judgments and Finding</td>
<td>$</td>
</tr>
<tr>
<td>7500 Refunds and Reimbursements</td>
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<td>7900 Other Miscellaneous Expenses</td>
<td>$</td>
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<tr>
<td><strong>Total Other Objects</strong></td>
<td>$</td>
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</tbody>
</table>

### 8000 - Contingency

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>8900 Contingency</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Contingency</strong></td>
<td>$</td>
</tr>
</tbody>
</table>

### 9000 - Interfund Transfers

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>9900 Transfers Out</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Interfund Transfers</strong></td>
<td>$</td>
</tr>
</tbody>
</table>

**GRAND TOTAL BUILDING FUND**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
</tr>
</tbody>
</table>

### DEBT SERVICE FUND

#### 1000 - Salaries and Benefits

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1100 Salaries and Leave Benefits</td>
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</tr>
<tr>
<td>1400 Retirement Benefits</td>
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</tr>
<tr>
<td>1600 Insurance Benefits</td>
<td>$</td>
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<tr>
<td>1900 Other Employee Benefits</td>
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<tr>
<td><strong>Total Salaries and Benefits</strong></td>
<td>$</td>
</tr>
</tbody>
</table>
### 2000 - Supplies

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2100</td>
<td>General Administrative Supplies</td>
<td>$</td>
</tr>
<tr>
<td>2200</td>
<td>Property Maintenance/Repairs, Supplies &amp; Parts</td>
<td>$</td>
</tr>
<tr>
<td>2300</td>
<td>Motor Vehicle Fuel, Supplies, &amp; Parts</td>
<td>$</td>
</tr>
<tr>
<td>2500</td>
<td>Supplies Purchased for Resale</td>
<td>$</td>
</tr>
<tr>
<td>2700</td>
<td>Warehouse Inventory Adjustments</td>
<td>$</td>
</tr>
<tr>
<td>2900</td>
<td>Other Supplies</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Supplies</strong></td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

### 3000 - Purchased and Contracted Services

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>3100</td>
<td>Travel and Meeting Expenses</td>
<td>$</td>
</tr>
<tr>
<td>3200</td>
<td>Communication, Printing and Publicity</td>
<td>$</td>
</tr>
<tr>
<td>3300</td>
<td>Property Maintenance, Repair &amp; Security Services</td>
<td>$</td>
</tr>
<tr>
<td>3400</td>
<td>Insurance</td>
<td>$</td>
</tr>
<tr>
<td>3500</td>
<td>Rents/Leases</td>
<td>$</td>
</tr>
<tr>
<td>3600</td>
<td>Utilities</td>
<td>$</td>
</tr>
<tr>
<td>3700</td>
<td>Professional Services</td>
<td>$</td>
</tr>
<tr>
<td>3800</td>
<td>Library Materials Control Services</td>
<td>$</td>
</tr>
<tr>
<td>3900</td>
<td>Other Contracts and Purchased Services</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Purchased and Contracted Services</strong></td>
<td>$</td>
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</tr>
</tbody>
</table>

### 4000 - Library Materials and Information

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4100</td>
<td>Books and Pamphlets</td>
<td>$</td>
</tr>
<tr>
<td>4200</td>
<td>Periodicals</td>
<td>$</td>
</tr>
<tr>
<td>4300</td>
<td>Audiovisual Materials</td>
<td>$</td>
</tr>
<tr>
<td>4500</td>
<td>Computer Services and Information</td>
<td>$</td>
</tr>
<tr>
<td>4600</td>
<td>Inter-Library Loan Fees/Charges</td>
<td>$</td>
</tr>
<tr>
<td>4700</td>
<td>Library Material Repair and Restoration</td>
<td>$</td>
</tr>
<tr>
<td>4900</td>
<td>Library Materials - All Other</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Library Materials and Information</strong></td>
<td>$</td>
<td></td>
</tr>
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</table>

### 5000 - Capital Outlay

<table>
<thead>
<tr>
<th>Code</th>
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<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>5100</td>
<td>Land</td>
<td>$</td>
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<tr>
<td>5200</td>
<td>Land Improvements</td>
<td>$</td>
</tr>
<tr>
<td>5300</td>
<td>Buildings</td>
<td>$</td>
</tr>
<tr>
<td>5400</td>
<td>Building Improvements</td>
<td>$</td>
</tr>
<tr>
<td>5500</td>
<td>Furniture and Equipment</td>
<td>$</td>
</tr>
<tr>
<td>5700</td>
<td>Motor Vehicles</td>
<td>$</td>
</tr>
<tr>
<td>5900</td>
<td>Other Capital Outlay</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Capital Outlay</strong></td>
<td>$</td>
<td></td>
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</table>

### 6000 - Debt Service

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>6100</td>
<td>Redemption of Principal</td>
<td>$</td>
</tr>
<tr>
<td>6200</td>
<td>Interest Expense</td>
<td>$</td>
</tr>
<tr>
<td>6500</td>
<td>Financing Fees and Expenses</td>
<td>$</td>
</tr>
<tr>
<td>6900</td>
<td>Other Debt Service Payments</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Debt Service</strong></td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

### 7000 - Other Objects

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7100</td>
<td>Dues and Memberships</td>
<td>$</td>
</tr>
</tbody>
</table>
7200 Taxes and Assessments  
7300 Judgments and Finding  
7500 Refunds and Reimbursements  
7900 Other Miscellaneous Expenses  
Total Other Objects  

8000 - Contingency  
8900 Contingency  
Total Contingency  

9000 - Interfund Transfers  
9900 Transfers Out  
Total Interfund Transfers  

GRAND TOTAL DEBT SERVICE FUND  

RECAPITULATION OF FUNDS (GRAND TOTALS)  

GENERAL FUND  
BUILDING FUND  
DEBT SERVICE  
GRAND TOTAL – ALL APPROPRIATIONS  

[name] seconded the Resolution and the roll called upon its adoption, the vote resulted as follows:  

CERTIFICATE  

The State of Ohio, [name] County, ss  

I, [name], Fiscal officer of the Board of Library Trustees of the [name] Public Library District, in said County, whose custody the Files, Journals and Records of said Board are required by the Laws of the State of Ohio to be kept, do hereby certify that the foregoing Resolution has been compared by me with the said original and that the same is a true and corrected copy thereof.  

Witness by signature, this [date] day of [month], [year].  

Fiscal officer of the Board of Library Trustees  
of the [name] Public Library  
[name] County, Ohio
Appendix C
ANNUAL FINANCIAL REPORT
NOTICE WORDING SAMPLE

[Suggested wording]

The Annual Financial Report of the [name] Public Library for the year ended December 31, [year], has been completed and is available for public inspection in the office of [name], Fiscal Officer, at [address], [city], [state] between [time] a.m. and [time] p.m., Monday through Friday.

A copy of the report can be provided upon request.
Appendix D
BID REJECTION NOTIFICATION
SAMPLE

[name] PUBLIC LIBRARY
BID REJECTION NOTIFICATION

On [date submitted], you submitted a bid to the library for the following:

This is to notify you that your bid was ([percentage]%, $[dollar amount]) higher than that accepted by the Board of Trustees.

We are grateful and thank you for having submitted your bid and hope you will continue to do so in the future.

____________________________________
[name]
Fiscal Officer
Office of the Board of Library Trustees, [name] Public Library
To the County Auditor:

The Board of Library Trustees of said Library hereby submits its annual Budget for the year commencing January 1, [year] for consideration of the County Budget Commission.

__________________________
Fiscal Officer/Treasurer of the Board

<table>
<thead>
<tr>
<th>AUTHORITY FOR &amp; PURPOSE OF LEVY</th>
<th>Date of Vote</th>
<th>Tax Year</th>
<th>Maximum Rate Authorized to Be Levied</th>
<th>Reduced Rate Per R.C. 5713.11</th>
<th>County Auditor's Estimate of Yield of Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Levy Begins</td>
<td>Levy Ends</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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</table>

CERTIFICATE OF COUNTY BUDGET COMMISSION

The Budget Commission of [name] County, hereby makes the following Official Certificate of Estimated Resources for the [name] Public Library for the fiscal year beginning January 1, [year].

<table>
<thead>
<tr>
<th>FUND (s)</th>
<th>Unencumbered Balance 1/1/[yr.]</th>
<th>TAXES</th>
<th>OTHER SOURCES</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
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<td></td>
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</tr>
<tr>
<td>Special Revenue Funds</td>
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<td></td>
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<tr>
<td>Debt Service Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Project Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enterprise Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Service Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust and Agency</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL - ALL FUNDS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Date _____________________________________________

__________________________________
__________________________________
__________________________________

Budget Commissioners
## Comparative and Estimated Receipts, Disbursements and Balances

<table>
<thead>
<tr>
<th>PURPOSE</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1000 Taxes</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>1100 State Income Taxes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL TAXES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000 Government Grants-In-Aid</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td><strong>TOTAL GRANTS-IN-AID</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3000 Patron Fines and Fees</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>3100 Patron Fines and Fees Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL PATRON FINES AND FEES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4000 Earnings on Investments</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>4100 Interest on Investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL EARNINGS ON INVESTMENTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5000 Services Provided Other Entities</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td><strong>TOTAL SERVICES PROVIDED OTHER ENTITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6000 Contributions, Gifts and Donations</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>6100 Restricted – Contributions, Gifts &amp; Donations</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>6500 Unrestricted – Contributions, Gifts &amp; Donations</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL CONTRIBUTIONS, GIFTS &amp; DONATIONS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7000 Sale of Bonds or Notes</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td><strong>TOTAL SALE OF BONDS OR NOTES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8000 Miscellaneous Revenue</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>8100 Sale of Surplus Property</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>TOTAL MISCELLANEOUS REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## OHIO PUBLIC LIBRARY ACCOUNTING HANDBOOK

### FUND NAME: General Fund

<table>
<thead>
<tr>
<th>PURPOSE</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1000 Salaries and Benefits</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>1100 Salaries and Leave Benefits</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>1400 Retirements Benefits (Employers Share)</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>1600 Insurance Benefits (Employers Share)</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
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<tr>
<td>1900 Other Employee Benefits</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>TOTAL SALARIES AND BENEFITS</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000 Supplies</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>2100 General Administrative Supplies</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>2200 Property Maintenance/Repair Supplies &amp; Parts</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
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<tr>
<td>2300 Motor Vehicle Fuel, Supplies &amp; Parts</td>
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<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>2500 Supplies Purchases for Resale</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>2700 Warehouse Inventory Adjustments</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>2900 Other Supplies</td>
<td>XXXXXXXX</td>
<td></td>
<td>XXXXXXXX</td>
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<tr>
<td>TOTAL SUPPLIES</td>
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</table>

**FUND NAME:** General Fund

**Fund Number:** 101

**Comparative and Estimated Receipts, Disbursements and Balances**

<table>
<thead>
<tr>
<th>PURPOSE</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>9000 Interfund Transfers &amp; Advances</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>9900 Transfers In</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
<td>XXXXXXXX</td>
</tr>
<tr>
<td>TOTAL INTERFUND TRANSFERS &amp; ADVANCES</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL RECEIPTS</td>
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<td></td>
<td></td>
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</tbody>
</table>
### Purchased and Contracted Services

<table>
<thead>
<tr>
<th>Purpose</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>3000 Purchased and Contracted Services</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>3100 Travel &amp; Meeting Expenses (Staff and Trustees)</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>3200 Communications, Printing &amp; Publicity</td>
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<td></td>
</tr>
<tr>
<td>3300 Property Maintenance, Repair &amp; Security Services</td>
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<tr>
<td>3400 Insurance</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3500 Rents/Leases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3600 Utilities</td>
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</tr>
<tr>
<td>3700 Professional Services</td>
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</tr>
<tr>
<td>3800 Library Material Control Services</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3900 Other Contracts &amp; Purchased Services</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL PURCHASED &amp; CONTRACTED SERVICES</strong></td>
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<td>$0.00</td>
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</table>

### Library Materials & Information (Purchased & Rented)

<table>
<thead>
<tr>
<th>Purpose</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>4000 Library Materials &amp; Information (Purchased &amp; Rented)</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>4100 Books &amp; Pamphlets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4200 Periodicals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4300 Audiovisual Materials</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4500 Computer Services &amp; Information</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4600 Inter-Library Loan Fees/Charges</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4700 Library Material Repair &amp; Restoration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4900 Library Material - All Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL LIBRARY MATERIALS AND INFORMATION</strong></td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

---

### General Fund

**Fund Number**: 101

**Fund Name**: General Fund

#### Comparative and Estimated Receipts, Disbursements and Balances

<table>
<thead>
<tr>
<th>Purpose</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>5000 Capital Outlay (New &amp; Replacement)</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>5100 Land</td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>5200 Land Improvements</td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>5300 Buildings</td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>5400 Building Improvements</td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>5500 Furniture &amp; Equipment</td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>5700 Motor Vehicles</td>
<td></td>
<td></td>
<td>$0.00</td>
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<tr>
<td>5900 Other Capital Outlay</td>
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<td><strong>TOTAL CAPITAL OUTLAY</strong></td>
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<tr>
<td>Account Number</td>
<td>Description</td>
<td>Amount</td>
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</tr>
<tr>
<td>----------------</td>
<td>--------------------------------------------------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>6000 Debt Service</td>
<td>XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6100 Redemption of Principal</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>6200 Interest Expense</td>
<td>$0.00</td>
<td></td>
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</tr>
<tr>
<td>6900 Other Debt Service Payments</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL DEBT SERVICE</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7000 Other Objects</td>
<td>XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7100 Dues &amp; Membership</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7200 Taxes &amp; Assessments</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7300 Judgments &amp; Findings</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7500 Refunds &amp; Reimbursements</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7900 Other Miscellaneous Expenses</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL OTHER OBJECTS</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8000 Contingency</td>
<td>XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL CONTINGENCY</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9000 Interfund Transfers &amp; Advances</td>
<td>XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9800 Advances Out</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9900 Transfers Out</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL INTERFUND TRANSFERS &amp; ADVANCES</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL DISBURSEMENTS</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess/(Deficiency) of Revenue Over Disbursements</td>
<td>XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance - January 1st, _____</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance - December 31st, _____</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less Encumbrances - December 31st, _____</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unencumbered Balance - December 31st, _____</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Comparative and Estimated Receipts, Disbursements and Balances

<table>
<thead>
<tr>
<th>PURPOSE</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1000 Salaries and Benefits</td>
<td>XXXXXXXXXX</td>
<td>XXXXXXXXXX</td>
<td>XXXXXXXXXX</td>
</tr>
<tr>
<td>1100 Salaries and Leave Benefits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1400 Retirements Benefits (Employers Share)</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1600 Insurance Benefits (Employers Share)</td>
<td></td>
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</tr>
<tr>
<td>1900 Other Employee Benefits</td>
<td></td>
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<td><strong>TOTAL SALARIES AND BENEFITS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000 Supplies</td>
<td>XXXXXXXXXX</td>
<td>XXXXXXXXXX</td>
<td>XXXXXXXXXX</td>
</tr>
<tr>
<td>2100 General Administrative Supplies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2200 Property Maintenance/Repair Supplies &amp; Parts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2300 Motor Vehicle Fuel, Supplies &amp; Parts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2500 Supplies Purchases for Resale</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2700 Warehouse Inventory Adjustments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2900 Other Supplies</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>TOTAL SUPPLIES</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3000 Purchased and Contracted Services</td>
<td>XXXXXXXXXX</td>
<td>XXXXXXXXXX</td>
<td>XXXXXXXXXX</td>
</tr>
<tr>
<td>3100 Travel &amp; Meeting Expenses (Staff and Trustees)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3200 Communications, Printing &amp; Publicity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3300 Property Maintenance, Repair &amp; Security Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3400 Insurance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3500 Rents/Leases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3600 Utilities</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>3700 Professional Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3800 Library Material Control Services</td>
<td></td>
<td></td>
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<tr>
<td>3900 Other Contracts &amp; Purchased Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL PURCHASED &amp; CONTRACTED SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 4000 Library Materials & Information (Purchased & Rented)

<table>
<thead>
<tr>
<th>Purpose</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>4100 Books &amp; Pamphlets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4200 Periodicals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4300 Audiovisual Materials</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4500 Computer Services &amp; Information</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4600 Inter-Library Loan Fees/Charges</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4700 Library Material Repair &amp; Restoration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4900 Library Material - All Other</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL LIBRARY MATERIALS AND INFORMATION

### FUND NAME: Debt Service Fund

| Fund Number | 300 |

#### Comparative and Estimated Receipts, Disbursements and Balances

<table>
<thead>
<tr>
<th>Purpose</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>5000 Capital Outlay (New &amp; Replacement)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5100 Land</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5300 Buildings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5400 Building Improvements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5500 Furniture &amp; Equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5700 Motor Vehicles</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5900 Other Capital Outlay</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

TOTAL CAPITAL OUTLAY

<table>
<thead>
<tr>
<th>Purpose</th>
<th>For _____ Actual</th>
<th>For _____ Estimated &amp; Actual</th>
<th>For [year] Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>6000 Debt Service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6100 Redemption of Principal</td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>6200 Interest Expense</td>
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<td>$0.00</td>
</tr>
<tr>
<td>6900 Other Debt Service Payments</td>
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</tbody>
</table>

TOTAL DEBT SERVICE

$0.00
<table>
<thead>
<tr>
<th>Account Category</th>
<th>Balance 1-Jan</th>
<th>Balance 31-Dec</th>
<th>Excess/Deficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>7000 Other Objects</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>7100 Dues &amp; Membership</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>7200 Taxes &amp; Assessments</td>
<td>XXXXXXXXX</td>
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<tr>
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<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
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<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td><strong>TOTAL OTHER OBJECTS</strong></td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>8000 Contingency</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td><strong>TOTAL CONTINGENCY</strong></td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>9000 Interfund Transfers &amp; Advances</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>9800 Advances Out</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>9900 Transfers Out</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td><strong>TOTAL INTERFUND TRANSFERS &amp; ADVANCES</strong></td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td><strong>TOTAL DISBURSEMENTS</strong></td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>Excess/(Deficiency) of Revenue Over Disbursements</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
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<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
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<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>Less Encumbrances - December 31st, _____</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
<tr>
<td>Unencumbered Balance - December 31st, _____</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
<td>XXXXXXXXX</td>
</tr>
</tbody>
</table>
# Appendix F

## CALENDAR OF REPORTING DATES

### SAMPLE CALENDAR

The calendar may need to be adjusted to each library’s situation. Since the Internal Revenue Service, Ohio Department of Taxation, School District Income Tax and local income tax offices determine the schedule of income tax deposit due dates for employers, it is best to check with these agencies for each particular library. Effective January 1, 2007, all employers with federal income taxes withheld of $50,000 or more annually must file taxes electronically. Please note that the dates listed are actual dates items are due. Be sure to allow enough time for preparation if a board resolution or other action is required.

<table>
<thead>
<tr>
<th>Annual Due Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>As soon after the end of year as possible</td>
<td>The Certificate of the Total Amount from all sources available for the previous Expenditures and Balances from previous fiscal year due to county auditor.</td>
</tr>
<tr>
<td>January 31</td>
<td>IRS W-2 forms of previous year’s wages must be received by employees from employer.</td>
</tr>
<tr>
<td></td>
<td>IRS Form 1099-MISC sent to independent contractors.</td>
</tr>
<tr>
<td></td>
<td>Ohio Employer Annual Reconciliation of Income Tax Withheld (form IT-941) for previous year submitted to Ohio Department of Taxation.</td>
</tr>
<tr>
<td>Mid-February</td>
<td>Annual Statistical Report due to State Library of Ohio.</td>
</tr>
<tr>
<td>February 28</td>
<td>Annual Social Security Administration Transmittal of Income &amp; Tax Statements (Form W-3) with copy A of all previous year W-2 forms submitted to Social Security Administration.</td>
</tr>
<tr>
<td></td>
<td>IRS Annual Summary and Transmittal of Wage &amp; Tax Statements (Form 1096) with copy A of all forms 1099-MISC from previous year submitted to IRS.</td>
</tr>
<tr>
<td></td>
<td>Annual Financial Report of Library District from previous fiscal year sent to the Auditor of State, Clerk of the Bureau, 88 E. Broad Street, Columbus, OH 43216.</td>
</tr>
<tr>
<td>March 31</td>
<td>Annual Appropriations Resolution for current fiscal year, as adopted by library board of trustees, submitted to county auditor. Permanent Appropriations for current fiscal year must be adopted by library board by this date if Temporary Resolution was adopted in December of previous year.</td>
</tr>
<tr>
<td>May 15</td>
<td>Bureau of Workers’ Compensation report (Form 1621) completed and payment sent to BWC for previous year’s payroll.</td>
</tr>
<tr>
<td>May 31</td>
<td>Following year’s library budget request, approved by library</td>
</tr>
</tbody>
</table>

---
board of trustees, submitted to library’s taxing authority.

July
Ohio state tax commissioner issues revised estimate of current year’s PLF collection and county entitlement.
Ohio state tax commissioner issues first estimate of following years PLF collection and county entitlement.

July 15
Deadline for Board of Education or Taxing Authority to adopt by resolution the library’s budget request for the following year. Public hearing on the library’s proposed budget is done by taxing authority prior to this date.

July 20
Deadline for submitting two copies of the budget request to the county auditor on the required forms.

August
County Budget Commission meets on first Monday in August to determine amount of PLF to be certified for next year to each library. If certification is going to be appealed, the appeal must be filed within 30 days of receipt of certification and must be done by board Resolution.
County Budget Commission holds public hearing of the library’s districts’ budgets if necessary.

September 1
Official Certificate of Estimated Resources from the county auditor due to the library.

December
Ohio state tax commissioner issues revised estimate of the following year’s PLF collection and county entitlements.

December 31
Certification of following year’s PLF entitlement must be made by this date if not made in August.
Library’s Budget and Annual (temporary or permanent) Appropriations Resolution must be adopted by board of trustees.
Fiscal officer appointed and salary and bond set for the following year through board resolution.
Salaries of other library employees and bonds set for the following year through board resolution.
### Monthly Due Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>10th of each month</td>
<td>Distribution of PLF from the state tax commissioner to county treasurer.</td>
</tr>
<tr>
<td>15th of each month</td>
<td>Distribution of PLF from county auditor to library.</td>
</tr>
<tr>
<td></td>
<td>Monthly Federal Tax Deposit of Federal Income Tax and Medicare Tax Withheld (Form 8109) and payment submitted to Federal Reserve Bank from previous month (if filing status is monthly).</td>
</tr>
<tr>
<td></td>
<td>Monthly Ohio Employer’s Payment of Income Tax withheld (Form IT-501) and payment submitted to Ohio Department of Taxation from previous month (if tax filing status is monthly).</td>
</tr>
<tr>
<td>31st of each month</td>
<td>Monthly OPERS Report of Retirement Deductions and employee’s share payment submitted to OPERS for the previous month.</td>
</tr>
</tbody>
</table>

### Quarterly Due Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>15th of January</td>
<td>IRS Form 941 Quarterly Federal Tax Return for previous quarter, completed and sent to IRS; payment if application included with form electronic transfer set up.</td>
</tr>
<tr>
<td>15th of April</td>
<td>Ohio Dept. of Jobs and Family Services Employer (ODJFS)’s Report of Wages &amp; Quarterly Payroll Report for previous quarter completed 31st and sent to ODJFS.</td>
</tr>
<tr>
<td>20th of July</td>
<td>Employer’s Share of OPERS Contribution from previous quarter due to OPERS.</td>
</tr>
</tbody>
</table>
Appendix G
CREDIT CARD POLICY SAMPLE 1

This policy facilitates library purchases and establishes guidelines for the distribution and use of credit cards issued by the library. This policy provides internal controls to ensure that employees comply with all applicable laws. Credit cards may be provided to employees in certain positions within the library system as determined by the director, assistant director or human resources director in consultation with the employee’s immediate supervisor.

Credit card limits will be determined by the director. There is no cash access feature on the credit card. Library credit cards must be safeguarded to prevent loss, theft of public funds or unauthorized use. Library credit cards must be used for a proper library purpose and personal use of library credit cards is strictly prohibited. Employees using credit cards must attach the credit card receipt to a requisition form as soon as possible after a purchase is made and present it to their immediate supervisor for approval. The requisition is then sent to the Business Office for issuance of a purchase order. Receipts are reconciled to the monthly credit card bill. The library does not pay sales tax on purchases, and it is the responsibility of the employee to contact the fiscal officer to obtain a tax-exempt certificate prior to any credit card purchase. The library will review credit card purchases to ensure their proper use.

Credit cards are the property of the library and must be returned to the employee’s supervisor upon termination of employment with the library.

Before being issued a library credit card, employees must complete and sign the acknowledgement form stating that they understand and will comply with the library’s credit card policy.

My Public Library

Credit Card Policy Employee Acknowledgement

I hereby acknowledge that I have received a copy of the [name] Public Library’s Credit Card Policy. I have read this policy and clarified with my supervisor any questions regarding its provisions. I understand that as the cardholder I am responsible for all charges incurred on the credit card. I agree to comply with all the requirements contained therein and understand that appropriate disciplinary action will be taken if I am found in violation of the policy and that the library will require restitution if the credit card is used improperly.

Employee:
Signed: ___________________________ Date: __________

Supervisor Approval:
Signed: ___________________________ Date: __________

Director Approval:
Signed: ___________________________ Date: __________
XXXX Public Library Credit Card Policy
Revision approved XXX XX, 20XX

1. Bank credit cards will be established in the name of the XXXX Public Library and the specific name of an individual with a maximum credit limit for each set by the Library. All monthly bank statements and correspondence will be sent to the XXXX Public Library.

2. Cards will be issued to:
   a. Director with a credit limit of $2,000
   b. Assistant Director with a credit limit of $500
   c. Fiscal officer with a credit limit of $5,000
   d. Head of Technical Service with a credit limit of $500
   e. Head of Technology with a credit limit of $1000
   f. Head of Adult Services with a credit limit of $500
   g. Head of Youth Services with a credit limit of $500
   h. Head of Building and Systems with a credit limit of $500
   i. Audio Visual Acquisitions with a credit limit of $1000

3. Prior to receipt of the credit card each individual must agree to and sign Credit Card Responsibility and Use Procedures.

4. Payment of the monthly statement must be made in a timely fashion so that finance charges are not incurred.

5. All monthly statements, both individual itemized statements and combined Library statement, will be mailed to XXXX Public Library for verification and payment process.

6. All bank credit cards will be held by the fiscal officer until needed by specified staff members, and then returned to the fiscal officer for safekeeping.Hardcopy documentation for each purchase and/or charge must be delivered to the fiscal officer’s office when the credit card is returned.

7. Bank credit cards will be used primarily for travel expenses to conferences and/or workshops and pre-payment of materials when required by a vendor.
   a. The bank credit card may not be used for personal expenses.
   b. The bank credit card does not replace requisitions and purchase orders.
Credit Card Procedures

A credit card account has been established to meet the needs of your department for incidental purchases. Upon receipt of original itemized documentation, credit card expenditures will be paid by check through the Fiscal officer's Office.

***This Card does not replace requisitions and purchase orders.

Expenses may be incurred with the credit card only if all of the following conditions are met:

1. Expenditures must be within the guidelines of the particular activity of your department and budget. The expenditure may only be made after the approval of the required requisition and purchase orders. This card is not to be used for any personal expenses.

2. Expenditures to be paid shall be less than your credit limit of $____________.
   There are no exceptions.

3. Proper documentation to support the expenditure must be sent to the Fiscal officer prior to the receipt of the monthly statement.
   1. Proper documentation is to include:
      1. Original itemized paid receipt indicating the amount paid, the vendor, and the itemized description of the purchase.
      2. In the case of books, subscriptions or similar types of orders, a copy of the order form or document, and packing slip, or other receiving document must be attached when requesting payment.
      3. A hardcopy print-out of the items ordered on-line.
   2. Examples of documentation not allowed:
      5. Handwritten requests for reimbursement without receipts or other verification.

4. Tax Exemption

   3. Amounts paid for sales tax will not be reimbursed; be aware that a tax exemption certificate is available in the Fiscal Officer’s office; if, in some cases, you merely mention to the vendor that the purchase is tax exempt, no sales tax will be charged. This exemption is based upon the fact that XXXX Public Library is a non-profit school district library.

II. The credit card will be kept in the office of the Fiscal Officer for safe-keeping. You will be asked to sign-out the card when needed. The card should be returned as soon as possible with appropriate documentation of any purchases.
Agreement for Use of Bank Credit Card

This card is issued to you on a temporary basis, and remains the sole property of the bank from which it was issued. The right to use this card may be revoked at any time without warning by the issuing bank authority or by the XXXX Public Library’s Fiscal Officer or Director.

By accepting this card it is understood that you are personally responsible for any unauthorized or inappropriate use of the purchasing card.

I have read and fully understand and accept my personal responsibilities and liabilities involving the use of the bank credit card issued to me. I further understand that any inappropriate use of the card may result in disciplinary action and possible garnishment of my wages.

Card Holder Signature: ________________________________ Date: ________________

Signature of Witness: ________________________________ Date: ________________
Public Announcement of Contract for Professional Design Services

The [name] Public Library intends to contract for architectural services in connection with the Relocation and Renovation of the [name] Public Library. Architectural firms interested in being considered for a contract to provide the required services should reply with a statement of qualifications no later than 5:00 p.m. on [month] [date], [year]. Statements received after this deadline will not be considered.

Statements of qualifications should include information regarding the firm’s history; education and experience of owners and key technical personnel; the technical expertise of the firm’s current staff; the firm’s experience in designing similar projects; availability of staff including a description of projects currently under contract; the roles of the individuals on the proposed team, including who will be the day-to-day contact; the firm’s equipment and facilities, references; and any previous work performed for the [name] Public Library.

Statements of qualifications should be transmitted to [name], Director, [name] Public Library, [city], OH [zip]. You may use [fax number] to fax information. You may direct questions to [name] at [telephone number].

As required by Ohio Revised Code 153.65-71, responding firms will be evaluated and ranked in order of their qualifications. Following this evaluation, the [name] Public Library will enter into contract negotiations with the most highly qualified firm.

The preliminary project description is as follows:

Name of Project: [description – e.g, Relocation and Renovation of the Branch Library]

Location: [address]

Description: This project involves the renovation of an [description]. The library will continue to provide comprehensive library services to the residents of [location] and surrounding communities. The library will house a collection of books, newspapers, magazines, audio-visual, and multi-media materials. Total collection size will not exceed [number] items. A variety of computerized services will be available to staff and patrons. The library will include space for storytimes and other programs, a service desk for transactions between staff and patrons, seating space for children and adults, workspace for 3-4 staff, a break room for staff, and public restroom facilities. The project will also include installation of a minimum of 15 parking spaces. All areas must meet ADA requirements.

Source of Funding: The project will be funded through money set aside in the library’s Capital Improvement Fund through state tax receipts and/or a loan based on anticipated revenues.

Project Schedule: The design startup/completion is estimated to be [date]. The construction startup/completion is estimated to be [date].

Services Required: Our objective for this project is to have a viable building for the provision of up-to-date library services for a minimum of [number] years. Design, plan, preparation, plan approval and bidding services are desired. Construction inspections and oversight are desired but are to be negotiated.
Appendix J
DISASTER PLAN SAMPLE

Disaster Recovery Plan for Finance Functions – Guidelines

Due to the importance of documents and computerized functions that are the responsibility of the library fiscal officer, it is highly recommended that a Disaster Recovery Plan for finance functions be implemented in every public library. This plan should be used in conjunction with the library’s general disaster recovery plan. Although every plan should be tailored to meet each individual library’s needs, below is a suggested list of items to address in the plan:

A. The Plan – how should the library respond to a disaster?
   1. Develop a plan – who is responsible for emergencies involving library finances?
   2. Develop procedures such as a calling tree
   3. Store at least one copy of the plan off-site in the event the library building is not accessible

B. Critical Personnel – who would be able to perform emergency finance functions?
   1. Fiscal officer, deputy fiscal officer, others
   2. Agreement with another library fiscal officer if no other person available
   3. Software provider may be able to assist
   4. Library computer systems’ manager involvement

C. Critical Documents – includes paper items, as well as those stored on microfilm, disks, CD-ROMs, computer hard-drives, backup tapes and other media
   1. Most items listed as Permanent on Records Retention Policy are most valuable
   2. Are originals or duplicates of critical documents stored off-site?
   3. Can documents be recreated easily?

D. Critical Software – includes both system software and latest data for Accounting, Payroll, Human Resources, Board Minutes, spreadsheets and other systems
   1. Software vendor names, emergency contact information
   2. Location of backup tapes stored off-site to restore system software and data
   3. Agreement with alternate site (another library?) where critical functions such as payroll can be run in an emergency

E. Critical Hardware – is it possible to quickly replace hardware in an emergency?
   1. Servers on which to install software system and data
   2. PC to run payroll, other functions
   3. Printers to print checks if needed
   4. Agreement with alternate site where hardware may be used in emergency
Appendix K
INVESTMENT POLICY SAMPLE 1

Introduction
The [name] Public Library’s Investment Policy is developed and implemented in accordance with Senate Bill 81 and Section 135, “Uniform Depository Act,” of the Ohio Revised Code. This Investment Policy applies to all active, interim and inactive funds that the library has received, and is held accountable for, from all public and private sources.

Investment Authority Defined
The Investing Authority will be the fiscal officer, deputy fiscal officer or such officer or employee of the library as the board shall designate. The Investing Authority shall act only in accordance with the wishes of the board as described in this Investment Policy.

Review
The Investment Policy shall be presented to and annually reviewed and approved by the [name] Public Library Finance Committee and the Board of Trustees in open public meetings as prescribed by state of Ohio law.

Legislative Changes
Any state of Ohio legislative action that further restricts or permits allowable maturities, investment type or percentage allocations will, upon effectiveness, be incorporated into the [name] Public Library’s Investment Policy and shall supersede any and all previous applicable language.

Investment Philosophy
The Investing Authority shall make investments in good faith, in a manner reasonably believed to be in or not opposed to the best interests of the library, and with the exercise of that degree of care that an ordinarily prudent person in a like position would use under similar circumstances. The prudent person standard requires that the Investing Authority seek investments that will achieve the prescribed objectives set forth in this Investment Policy.

Maintaining the Public Trust
The Investing Authority shall act as the custodian of the public trust in all deposit/investment program activities. The Investing Authority shall recognize that the deposit/investment program is subject to public review and evaluation. The overall deposit/investment program shall be managed with a degree of professionalism that is worthy of the public trust.

Objectives
The following deposit/investment objectives will be applied in the management of funds of the [name] Public Library.

Preservation of Principal
The deposit/investment program shall preserve capital and protect investment principle within defined parameters.

Maintenance of Liquidity
The deposit/investment program shall maintain sufficient liquidity to meet reasonably anticipated fiscal operating requirements on an on-going basis throughout the fiscal cycle.
Maximization of Income
The deposit/investment program shall strive to attain the best total return or yield on deposited and invested funds of the library as is reasonable and prudently achievable within defined parameters.

Minimization of Risk
All attempts shall be made to minimize risks inherent in investment through diversification so as to eliminate the risk of loss resulting from an over-concentration of funds in a specific maturity, issuer, industry, geographical area, or class of securities.

Minimization of Costs
All attempts shall be made to minimize the costs of financial transactions related to implementing investment strategies.

Authorized Investments
The Investing Authority may deposit and/or invest in the following instruments at a price not to exceed the fair market value of the specific investment instrument.

Bills, notes, bonds, or other obligations of, or guaranteed by, the United States, or those for which the faith of the United States is pledged for payment of principal and interest thereon.

Bills, notes, bonds or other obligations or securities issued by any U.S. Government Agency, whether or not guaranteed by the United States including, but not limited to Federal National Mortgage Association, Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, Student Loan Marketing Association, etc.

Certificates of deposit, including, but not limited to passbook accounts, in any eligible institution insured by the Federal Deposit Insurance Corporation and having an office located within the territorial limits of the United States.

Checking and saving accounts in any eligible institution insured by the Federal Deposit Insurance Corporation and having an office located within the territorial limits of the state of Ohio.

Bonds and other obligations of the state of Ohio that are rated A or better or SP-1 or better by Standard & Poor's, or its equivalent.

No-load money market mutual funds consisting exclusively of Treasury or Federal Agency obligations and Repurchase Agreements secured by Treasury, or Federal Agency obligations made through eligible institutions.

Repurchase Agreements collateralized as required by the Ohio Revised Code with Treasury or Federal Agency obligations and made through eligible institutions and for no longer than thirty days.

STAR Ohio, the State Treasury Asset Reserve of Ohio.

Maturity Guidelines
As is reasonably prudent, the Investing Authority will attempt to match deposits/investments with anticipated cash flow requirements to take best advantage of prevailing economic and market conditions. No bond, bond mutual fund, or regular money market fund investment shall have a maturity date, or average maturity date, of more than five (5)
years from its date of purchase, unless the investment is matched to a specified obligation or debt of the library. Individually purchased bonds and obligations shall not carry any provisions for call before maturity. Any investment made must be entered into with a reasonable expectation to be held to maturity unless defined opportunities exist to better achieve deposit/investment objectives denoted in this Investment Policy.

**Authorized Financial Institutions and Brokers/Dealers**

Any financial institution located within Ohio as defined by [ORC 135.03](#) is eligible to serve as an approved depository and/or investment provider contingent upon having an active executed Depository Agreement on file with the Investing Authority. Four times per year, a depository is required to supply the Investment Authority the amount of public monies deposited by the Investment Authority and secured and the total value based on the amounts above of the pool of securities pledged to secure public monies held by the depository, including those deposits by the library.

The Investing Authority shall deal only with brokers or dealers who are registered as such with the Securities and Exchange Commission and who are licensed as a dealer with the Ohio Division of Securities and as defined in [ORC 135.03](#). Such brokers or dealers should also be members of the National Association of Securities Dealers, Inc. Securities brokers and dealers shall be utilized only after an analysis performed by the Investing Authority has revealed that the broker or dealer is adequately financed to conduct business with the library.

**Certification by All Parties**

The Investing Authority shall distribute a copy of this Investment Policy and any revisions or updated versions to each of the eligible financial institutions and brokers and dealers desiring to do business with the library. It shall be the responsibility of the designated officer of each eligible financial institution, broker, and dealer to certify that they have reviewed this Investment Policy and agree to comply with all applicable Ohio and Federal laws. Furthermore, the aforementioned officer shall agree to disclose any potential conflicts or risks to library funds that could arise out of financial transactions between the financial institutions, brokers, and dealers and the library.

**Filing Requirements**

This Investment Policy, along with any future revisions or updates, will be filed with the Auditor of State, Attention: Clerk of the Bureau, P.O. Box 1140, Columbus, OH 43216-1140, in accordance with Ohio law.
XXXX Library

_________________________  __________________
President, Board of Trustees    Date

_________________________  __________________
Vice President, Board of Trustees  Date

_________________________  __________________
Fiscal Officer, Board of Trustees    Date

**Depository/Investment Banker/Broker/Dealer/Advisor**

_________________________  __________________
Officer or Legal Authorized Designee    Date

_________________________  Address
Bank/Brokerage/Firm/Etc.
Appendix L
INVESTMENT POLICY SAMPLE 2

Policy: The Board of Trustees of the [name] Public Library authorizes the fiscal officer to make investments of available monies from the funds of the library in securities authorized by the state of Ohio. Investments may not exceed the depository contract in compliance with Ohio Revised Code (ORC) section 135.

Regulations: Authorized security investments include:
A. Bonds, notes or other obligations of or guaranteed by the United States or those for which the faith of the United States is pledged for payment of principal and interest thereon;
B. Bonds, notes, debentures or any other obligations or securities issued by a federal government agency or instrumentality;
C. Interim deposits in Board of Trustees approved depositories;
D. Bonds and other obligations of the state;
E.Certificates of deposit or repurchase agreements secured by obligations which meet all the requirements of ORC 135, provided such investments are made through banks and savings and loan institutions authorized by ORC 135.03;
F. The Ohio Subdivision Fund (STAR Ohio).

Under no circumstances may the fiscal officer invest in a derivative as defined by the Revised Code, reverse repurchase agreements, or other funds prohibited by law. The fiscal officer shall not make investments that she/he does not reasonably believe can be held until the maturity date or leverage any investment.

Investments made by the fiscal officer must mature with five (5) years, unless they are matched to a specific obligation or debt of the library.

The fiscal officer is authorized to enter into repurchase agreements in accordance with 135.14 (E) of the Revised Code. Such agreements may either be overnight or within a time not to exceed thirty (30) days and may only involve securities listed in A-D above.

Earnings on an investment become part of the General Fund unless otherwise specified by law.

The Board of Trustees requires the fiscal officer to report to the Board of Trustees quarterly describing each investment, including its cost, par value, maturity date, settlement date, any coupon rate, an estimated market value or the current market value, if available. The report shall also list the names of any person effecting transactions on behalf of the library.

The fiscal officer, acting in accord with the law, may withdraw funds from approved public depositories or sell negotiable instruments prior to maturity. This investment policy was passed by resolution of the Board of Trustees of the [name] Public Library.
Appendix M
COMPANIES PROVIDING ASSET TAGGING AND VALUATION SERVICES

All of the following companies have experience appraising buildings and tagging fixed assets for public entities, providing software for tracking inventory, and providing insurance valuation and GAAP-compliance reporting:

**American Appraisal Associates**
318 North Ave
Pittsburgh, PA 15112
[http://www.american-appraisal.com](http://www.american-appraisal.com)
Phone: (412) 824-8233
Fax: (412) 824-7124

**Industrial Appraisal Company**
222 Boulevard of the Allies
Pittsburgh, PA 15222
[http://www.indappr.com](http://www.indappr.com)
Phone: (800) 245-2718
Fax: (412) 471-1758

**Maximus, Inc.**
11419 Sunset Hills Road
Reston, VA 20190
(Offices in PA)
[http://www.maximus.com](http://www.maximus.com)
Phone: (800) MAXIMUS
Fax: (703) 251-8240
Appendix N
PROPERTY TAX AFFIDAVIT SAMPLE

DELIQUENT PERSONAL PROPERTY
STATEMENT

_________________________________________________________________________, having been awarded a contract by the [name]
Public Library hereby affirm under oath, pursuant to Ohio Revised Code Section 5719.042,
that at the time the bid was submitted, my company (was) (was not) charged with
delinquent personal property taxes on the General Tax List or personal property for [name]
County, Ohio.

If such charge for delinquent personal property tax exists on the General Tax List of
personal property for [name] County, Ohio, the amount of such due and unpaid delinquent
taxes, including due and unpaid penalties and interest shall be set forth below. A copy of
this statement shall be transmitted by the fiscal officer of the [name] Public Library to the
county treasurer within thirty days of the date it is submitted.

A copy of this statement shall also be incorporated into the contract made between the
[name] Public Library and _____________________________________________, and
no payment shall be made with respect to any contract unless such statement has been so
incorporated a part thereof.

Delinquent personal property tax $__________
Penalties $__________
Interest $__________

By: __________________________________________

Subscribed in my presence, and sworn to before me, this _____ day of __________, ______

____________________________________
Notary Public
# Appendix O
## RECORD RETENTION POLICY AND SCHEDULE SAMPLE

The [name] Public Library, like other public entities in the State of Ohio, must retain certain records from year to year. Although the Ohio Revised Code does not set guidelines for public libraries, the Board of Trustees of the [name] Public Library adopts the following policy for records retention:

Records shall fall into two categories: Permanent and Non-Permanent. Retention of records may be any commercially viable media that provides an accurate reproduction of the record. The following list shows the retention period of specific records, which is compiled from recommendations from the Auditor of State's Office and the Ohio Historical Society:

### Permanent

- Annual Financial Report to the Auditor of State
- Annual Report to the State Library
- Audit Reports from Auditor of State
- Board of Trustees Minutes
- Building Specifications and Plans
- Historical Files
- Library Statistics – Annual Report
- Payroll Records
- Payroll Tax Records
- Ohio Public Employees Retirement System Reports
- W-2 Forms

### Non-Permanent

<table>
<thead>
<tr>
<th>Record Description</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident Reports</td>
<td>5 years provided no pending action</td>
</tr>
<tr>
<td>Accounting Records not specified</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>Accounts Payable Ledger</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>Administrative Policy and Procedure Files</td>
<td>One year after superseded</td>
</tr>
<tr>
<td>Amended Official Certificates</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>Annual Budget Resolutions</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>Annual Certificate of Estimated Resources</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>Annual Employee Absence Summary</td>
<td>Four years provided audited</td>
</tr>
<tr>
<td>Applications for Employment</td>
<td>Retain with personnel record if applicant employed; others 1 year</td>
</tr>
<tr>
<td>Appropriation Ledgers</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>Automated System Backups</td>
<td>3 months</td>
</tr>
<tr>
<td>Bank Deposit Receipts</td>
<td>Until audited</td>
</tr>
<tr>
<td>Bank Statements</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Bids — Successful</td>
<td>15 years after completion of project</td>
</tr>
<tr>
<td>Bids — Unsuccessful</td>
<td>4 years After Letting of Contract provided audited</td>
</tr>
<tr>
<td>Board Agendas</td>
<td>One year</td>
</tr>
<tr>
<td>Book Inventories</td>
<td>Maintained online; until superseded</td>
</tr>
<tr>
<td>Budgets — Annual</td>
<td>10 years</td>
</tr>
<tr>
<td>Canceled Checks</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Cash Journals</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Cash Register Tapes</td>
<td>Until audited</td>
</tr>
<tr>
<td>Non-Permanent</td>
<td>Retention Period</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Certificates of Total Amount From Sources Available for Expenditures</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Check Registers</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Committee Reports</td>
<td>One year</td>
</tr>
<tr>
<td>Computer Booking Logs</td>
<td>Daily</td>
</tr>
<tr>
<td>Contracts and Leases</td>
<td>Twelve years after expiration</td>
</tr>
<tr>
<td>Deduction authorizations</td>
<td>Until superseded or employment terminated</td>
</tr>
<tr>
<td>Deferred Compensation Deduction Reports</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>Depository Agreements</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Employee handbooks</td>
<td>Until superseded</td>
</tr>
<tr>
<td>Employee Request for Leave Forms</td>
<td>Until audited</td>
</tr>
<tr>
<td>Employee schedules</td>
<td>Fiscal year plus two years</td>
</tr>
<tr>
<td>Encumbrance and Expenditure Journal</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>General Correspondence</td>
<td>Two years</td>
</tr>
<tr>
<td>Gift Donor Forms</td>
<td>3 years</td>
</tr>
<tr>
<td>I-9 Immigration Verification Forms (retained separately from personnel files)</td>
<td>Three years after date of hire, or one year after termination of employment, whichever is later</td>
</tr>
<tr>
<td>ILL Records</td>
<td>30 days, unless financial obligations</td>
</tr>
<tr>
<td>Insurance Policies/Bonds</td>
<td>Twelve years after expiration provided all claims have been settled</td>
</tr>
<tr>
<td>Inventories, except books</td>
<td>Until superseded</td>
</tr>
<tr>
<td>Investment Reports</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Job descriptions</td>
<td>Until superseded</td>
</tr>
<tr>
<td>Job postings/advertisements of job openings, promotions, training programs</td>
<td>One year if no action pending</td>
</tr>
<tr>
<td>or opportunities for overtime work</td>
<td></td>
</tr>
<tr>
<td>Levy Campaigns and Work papers</td>
<td>Life of Levy plus 5 years</td>
</tr>
<tr>
<td>Levy Official Files</td>
<td>Life of Levy plus 5 years</td>
</tr>
<tr>
<td>Lost Books/Fine Records</td>
<td>Once paid removed from patron history</td>
</tr>
<tr>
<td>Patron Information</td>
<td>Permanent or three years after inactive</td>
</tr>
<tr>
<td>Personnel Files</td>
<td>6 years after termination of employment</td>
</tr>
<tr>
<td>Postal Records (e.g. registered/certified/insured logs or receipts/postal</td>
<td>2 years</td>
</tr>
<tr>
<td>meter documents)</td>
<td></td>
</tr>
<tr>
<td>Prevailing Wages Records</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Purchase Orders</td>
<td>2 years provided audited</td>
</tr>
<tr>
<td>Quarterly Payroll Reports for State</td>
<td>75 years</td>
</tr>
<tr>
<td>Receipt Books</td>
<td>Until audited</td>
</tr>
<tr>
<td>Receipt Journals</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>Record Requests</td>
<td>2 years</td>
</tr>
<tr>
<td>Records Commission/Records Disposal documents</td>
<td>Ten years</td>
</tr>
<tr>
<td>Software</td>
<td>Destroy when obsolete</td>
</tr>
<tr>
<td>Time Sheets</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Transient material (all informal and/or temporary messages and notes,</td>
<td>Discretionary; retain until no longer of administrative value</td>
</tr>
<tr>
<td>including e-mail and voice mail messages, and all drafts used in the</td>
<td></td>
</tr>
<tr>
<td>production of public records)</td>
<td></td>
</tr>
<tr>
<td>Unemployment Compensation Claims</td>
<td>4 years provided audited</td>
</tr>
<tr>
<td>Vehicle Maintenance Records</td>
<td>Until vehicle sold</td>
</tr>
<tr>
<td>Voucher with Invoices</td>
<td>5 years provided audited</td>
</tr>
<tr>
<td>W-4 Forms</td>
<td>Until superseded</td>
</tr>
<tr>
<td>Workers' Compensation Claims</td>
<td>10 years after date of final payment</td>
</tr>
<tr>
<td>Non-Permanent</td>
<td>Retention Period</td>
</tr>
<tr>
<td>--------------</td>
<td>-----------------</td>
</tr>
</tbody>
</table>

Regardless of format, computer back-ups of any of the above-referenced records shall follow the same retention period as paper records.

Until Audited and Provided Audited is defined as the Auditor of State, or other contracted auditors, have audited the fiscal years encompassed and the audit report has been duly released.
Appendix P
REQUEST FOR BANKING SERVICES PROPOSAL SAMPLE

ADMINISTRATIVE OVERVIEW

Introduction
The _______ Library is issuing this Request for Proposal (RFP) for depository services in accordance with sections 135.01 through 135.21 of the Ohio Revised Code (ORC). Specific requirements as outlined below shall be met or exceptions noted and approved by the ______________ Library. All applicants are required to comply with applicable federal and state laws, rules and regulations.

Commitment of the Financial Institution
The submission of a response to the RFP in no way constitutes a commitment by the ______________ Library to enter into a Bank Agreement.

Issuing Office
This RFP is being issued by the _______ Library. The only individual who has authority to sign or obligate the ______________ Library to this solicitation is the Fiscal Officer.

Intent to Propose
All bidders must e-mail the ______________ Library at email address by April 4, 2013 at 5:00 PM to state their intention to bid.

A confirmation will be sent with receipt of bid intention.

Inquiries about this RFP
It is the policy of the ______________ Library to accept questions and inquiries from all potential bidders. The Fiscal Officer would prefer all questions and inquiries be in writing via e-mail to email address

Banks should submit questions about the intent or content of this RFP and request clarification of any and all procedures used for this procurement prior to the submission of proposals.

The deadline for receipt of all inquiries is April 29, 2013 at 4:00.
Any responses from the fiscal officer to questions received will be published in a timely manner by a response to all financial institutions that have stated their intention to submit a proposal according to this RFP. All responses shall be e-mailed by April 3, 2011 to all intended proposers.

Verbal Communication
Verbal communication from any ______________ Library employee concerning this RFP is not binding on the ______________ Library and shall, in no way, alter a specification, term or condition of this RFP.
ADMINISTRATIVE OVERVIEW (con’t)

Designation Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 18, 2013</td>
<td>Release of RFP</td>
</tr>
<tr>
<td>April 14, 2013</td>
<td>E-Mail to Fiscal Officer: Intention to Bid due from financial institutions</td>
</tr>
<tr>
<td>April 29, 2013</td>
<td>Cut-off for Inquiries</td>
</tr>
<tr>
<td>May 3, 2013</td>
<td>All responses to bank inquiries will be e-mailed</td>
</tr>
<tr>
<td>May 6, 2013</td>
<td>Due date for sealed bank responses</td>
</tr>
<tr>
<td>May 12, 2013</td>
<td>Finance Committee Review Meeting</td>
</tr>
<tr>
<td>May 17, 2013</td>
<td>Board Designation Meeting</td>
</tr>
<tr>
<td>July 1, 2013</td>
<td>Start date of new Bank Agreement</td>
</tr>
<tr>
<td>July 1, 2013</td>
<td>Target date of fully implemented bank services</td>
</tr>
</tbody>
</table>

Proposal Due Date

Two copies of the completed written responses to the RFP shall be received no later than 4:00 PM EST on May 6, 2013.

Any written proposal received after the specified due date shall not be eligible for consideration. Furthermore, proposals/applications received prior to the due date shall remain sealed until the posted due date.

Mandatory Requirements

Banks shall submit the name, address, e-mail address and telephone number of an individual with authority to answer questions or provide clarification regarding their responses.

Responses shall be submitted in a sealed envelope or package bearing the title "Sealed Bank Proposal" and include the bank’s name and address. The package must contain two (2) copies of the responses in the specified format and other supporting documents.

Submissions shall be sent to:

Fiscal Officer
Library
address

Financial Strength of the Provider

Pursuant to section 135.10 of the Ohio Revised Code:
“Each application shall be accompanied by a financial statement of the applicant, under oath of its cashier, Fiscal Officer, or other officer, in such detail as to show the capital funds of the applicant, as of the date of its latest report to the superintendent of banks or comptroller of the currency, and adjusted to show any changes therein prior to the date of the application.”

Proposal Costs

The cost of developing a proposal is the responsibility of the financial institution and may not be charged to the ______________ Library.
REQUEST FOR BANKING SERVICES PROPOSAL

We will need a Memorandum of Agreement for Deposit of Public Funds to list the maximum amounts of our deposits by type. Balances that exceed FDIC insurance must have appropriate government securities as stated in the Ohio Revised Code to cover them in the event of a bank default.

Please provide the following information:

- Is an interest bearing checking account available to us?

- If not, do you offer a sweep for a checking account to an interest bearing account?

- What fees do you charge for deposit accounts?

- Will a monthly statement be mailed to us for checking and savings accounts?

- Is on-line banking available? At what cost?

- Is on-line bill pay available? At what cost?

- Are you an ACH Originator; meaning that transfers from our account with you can be made electronically to deposit accounts our employees may have at other banks?

- What wire transfer fees would we have?

- What is your business day cut off time?

- Do you charge for rolled coin or using a coin counter?

- Do you have ATM and debit cards available?

- Do you have credit cards available? At what terms? Can multiple cards be issued with separate limits? Can the charges be combined on one bill with subtotals for each card?
Additional Items to Note

Deposit Limitation

Pursuant to section 135.03 of the ORC:
"Any national bank located in the state and any bank as defined by section 1101.01 of the Revised Code, subject to inspection by the superintendent of financial institutions, is eligible to become a public depository, subject to sections 135.01 to 135.21 of the Revised Code. No bank shall receive or have on deposit at any one time public moneys, including public moneys as defined in section 135.31 of the Revised Code, in an aggregate amount in excess of thirty percent of its total assets, as shown in its latest report to the superintendent of financial institutions or comptroller of the currency."

"Any domestic association as defined in section 1151.01 of the Revised Code, or any savings bank as defined in section 1161.01 of the Revised Code, authorized to accept deposits is eligible to become a public depository, subject to sections 135.01 to 135.21 of the Revised Code. No domestic association or savings bank shall receive or have on deposit at any one time public moneys, including public moneys as defined in section 135.31 of the Revised Code, in an aggregate amount in excess of thirty per cent of its total assets, as shown in its latest report to the superintendent of financial institutions or federal home loan bank board."

Collateralization of Deposits

Each bank shall collateralize deposits pursuant to Chapter 135.18 or 135.181 of the ORC and shall enter into a valid collateral agreement with the Library.

Please state whether the bank will be providing pooled or specific collateral.
Appendix Q
REQUEST FOR INSURANCE PROPOSALS SAMPLE

Sample Request for Proposal for Property and General Liability Insurance

[NAME] PUBLIC LIBRARY
REQUEST FOR PROPOSAL – INSURANCE

The [name] Public Library Board of Trustees is requesting sealed proposals for liability, property, boiler and machinery, electronic data processing equipment and media, and motor vehicle coverage. Coverage will be for a three-year term commencing [date].

Sealed proposals will be received at the office of the fiscal officer, [name] Public Library, [address], [city], [state] [zip] until [time], [date], and will be opened immediately thereafter. Quotations shall be firm for 60 days after the opening of proposals. Companies submitting proposals should be prepared to offer binders or extend coverage immediately upon notice to prevent any loss of coverage, which may result through change of carrier.

Each proposal shall be sealed and endorsed with the name of the proposer and plainly marked “Proposal for Insurance: [name] Public Library.” Proposals are to include the name of the insurance company with which the insurance will be placed. Insurance company must have a Policyholder’s Rating of A- or better. Agents and companies must be duly licensed for business in the State of Ohio by the Ohio Department of Insurance. Specifications and instructions may be obtained at the office of the fiscal officer during normal business hours at the address above.

A recommendation will be submitted to the Board of Trustees for action at its regular meeting to be held in [month] [year]. The Board of Trustees reserves the right to reject any and all proposals, to waive informalities in proposals and to accept the proposal deemed to be in the best interest of the [name] Public Library.

[NAME]
Fiscal Officer
[NAME] PUBLIC LIBRARY
REQUEST FOR PROPOSAL – SPECIFICATIONS

1. The [name] Public Library will receive sealed proposals at [address], [city], [state] [zip] until 12:00 noon, [date], and will be opened immediately thereafter, for the following specified insurance:

   I. Commercial Property Coverage
   II. Boiler and Machinery Coverage
   III. Inland Marine Coverage
   IV. Comprehensive General Liability
   V. Business Auto/ Fleet Coverage
   VI. Data Processing Equipment Coverage
   VII. Commercial Crime Coverage

2. All RFPs must be sealed and marked “Proposal for Insurance: [name] Public Library.” Failure to meet the specifications contained herein may be cause for the rejection of a proposal.

3. Each proposal must be submitted on the enclosed bid forms and must contain the full name or names of the parties making the proposal and all persons interested therein. Each RFP respondent shall state in their proposals the names of the insurance company or companies and/or program in which they propose to provide the coverage. Respondents may make separate property and fleet quotes, but combined quotes are preferred. It is also encouraged to quote different deductibles for the library’s consideration, but you must quote the specified deductibles.

4. Respondents shall note any differences in detail on an attachment between bid specifications and bid response. The [name] Public Library reserves the right to consider such exceptions before awarding the contract. The library has enclosed a copy of its current policy and preference will be given to quotations that are as comparable as possible to the current policy.

5. The effective date of the policy or policies must be [date current policy expires] unless otherwise directed by the [name] Public Library. The respondent shall outline in the proposal whether premium audits will be required.

6. Coverage shall be written with a responsible company or companies, each of which is qualified and/or licensed in the State of Ohio. Surplus lines companies are not desired, but should be on the Ohio Department of Insurance’s “approved list”. All carriers must carry a current A.M. Best Rating of “A-” or better. The financial condition of the company or companies shall be subject to the approval of the [name] Public Library. Respondents must include a list of all public entities located in Ohio insured by the proposing agent.
7. The agency submitting a proposal must provide evidence of the ability to provide effective local claims administration and services to the [name] Public Library. The proposal shall include a synopsis of agency operations and a certificate verifying errors and omissions coverage for the agency in the minimum amount of $1,000,000.

8. It is the desire of the [name] Public Library to award the entire package policy to one respondent for all coverage requested.

9. Proposals submitted to or received by the [name] Public Library shall impose no liability or obligation upon the [name] Public Library and the [name] Public Library reserves the right to request future bid proposals at its discretion.

10. The [name] Public Library reserves the right to reject any or all RFPs; to waive any and all irregularities in a RFP; and to accept that RFP or combination of RFPs which, in its judgment, is the most favorable to the [name] Public Library.

11. In reviewing the RFPs and awarding the contract for insurances, the [name] Public Library reserves the right to consider all elements related to the RFP, including, but not limited to, the rating and financial condition of the prospective insurance company or program; the responsibility and experience of the respondent, its agents, and representatives; and the services to be provided by the insurance company, the respondent, and its agents or representatives.

12. Loss prevention services (including the number of loss prevention specialists available to public entities), claims handling (Ohio-based claims department preferred), and other services available to the [name] Public Library should be outlined in the proposal and be applicable to all coverage.

13. The successful insurer shall deliver the policy or policies of insurance or binders for such policy or policies of insurance covering the hazards named herein to the [name] Public Library within thirty (30) days following the notice of the award of the contract or the effective date of coverage, whichever comes first.

14. The [name] Public Library will make every attempt to reply to reasonable information requests. Any discrepancies in or omissions from these specifications or questions regarding their meaning should be reported to [name], [name] Public Library, [telephone]. The library will attempt to answer requests, questions or comments within a reasonable period of time and will send copies to all prospective respondents of record.

15. RFPs may be withdrawn up to the time of the opening [time], [date] upon written notice to the [name] Public Library, but no respondent shall withdraw his/her quote within 30 days following the actual opening thereof.

16. Each respondent must comply with all requirements of law pertaining to contracts with the [name] Public Library.
NAME OF YOUR LIBRARY
INSURANCE SPECIFICATIONS

Property Coverage

- Blanket coverage on building and contents should be afforded on a replacement cost basis with an “Agreed Amount Clause” per schedule of valuations attached in an aggregate amount of $\{amount of total buildings and contents\}. The values below represent 100 percent replacement values and should be used in determining their average rate and total premium. Coverage amounts will be adjusted annually to reflect subsequent annual valuations and it is understood that a premium adjustment for the revised amount will be allowed.

- Coverage should be on a “Special” form basis.

- Each occurrence deductible of $500 with an alternate for $1,000.

- Property Locations:

<table>
<thead>
<tr>
<th>Location</th>
<th>Floor space:</th>
<th>Construction:</th>
<th>Year built:</th>
<th>Value:</th>
<th>Contents:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Library</td>
<td>[amount]</td>
<td>Masonry Non-Combustible</td>
<td>[year]; Remodeled [year]</td>
<td>${amount}</td>
<td>${amount}</td>
</tr>
<tr>
<td>[address] [city], [state] [zip]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location</th>
<th>Floor space:</th>
<th>Construction:</th>
<th>Year built:</th>
<th>Value:</th>
<th>Contents:</th>
</tr>
</thead>
<tbody>
<tr>
<td>[name] Branch</td>
<td>[amount]</td>
<td>Frame</td>
<td>[year]</td>
<td>${amount}</td>
<td>${amount}</td>
</tr>
<tr>
<td>[address] [city], [state] [zip]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location</th>
<th>Floor space:</th>
<th>Construction:</th>
<th>Year built:</th>
<th>Value:</th>
<th>Contents:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking garage</td>
<td>[amount]</td>
<td>Frame</td>
<td>[year]</td>
<td>${amount}</td>
<td>${amount}</td>
</tr>
<tr>
<td>[address] [city], [state] [zip]</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Other Property Owned:

<table>
<thead>
<tr>
<th>Location</th>
<th>Floor space:</th>
<th>Construction:</th>
<th>Year built:</th>
<th>Value:</th>
<th>Contents:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-1/2 Car garage</td>
<td>[amount]</td>
<td>Frame</td>
<td>[year]</td>
<td>${amount}</td>
<td>${amount}</td>
</tr>
<tr>
<td>[address] [city], [state] [zip]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Data Processing Equipment Value: $\{amount\}
  Schedule attached by property location

- Data, Media, Computer Programs Value: $\{amount\}

- Cameras, Projectors, Photocopiers Value: $\{amount\}
  Schedule attached by property location
PUBLIC LIBRARY
INSURANCE SPECIFICATIONS

- Ordinance & Law Coverage
  B - $100,000 Limit
  C - $100,000 Limit

Boiler & Machinery Coverage
- Broad Form Boiler (systems breakdown coverage) including repair and replacement should be included either as a named peril along with the property coverage or to be included separately. A $500 deductible should apply to the coverage with an alternate for $1,000 deductible to be consistent with property coverage deductible chosen.

Commercial Crime (Public Employee Dishonesty Coverage)
- $100,000 coverage for [number] employees

Scheduled Property Floater Coverage – Special Library Articles Endorsement
- Inland marine coverage should be provided covering property of the [name] Public Library or that, which is in its care, custody or control, which is usual, or incidental to its existence or operation excluding furniture and equipment for which coverage is provided under its property coverage. Examples of this property would include but are not limited to books, periodicals, audiocassettes, videocassettes, compact discs, recordings, and administrative records. A list of schedule of library materials is attached.
  - The limit of coverage to be provided is $[amount of library materials]. A list of values by location is attached. This coverage should incorporate an occurrence deductible of $500 with an alternate for $1,000.

Motor Vehicle Liability & Collision Coverage
- Limits of $1,000,000 each occurrence for all bodily injury, & property damage incidents
- Comprehensive coverage – Actual cash value or cost of repair
- Collision coverage – Actual cash value or cost of repair
- Medical payment – $1,000
- $1,000,000 coverage for uninsured motorists
- Coverage should include non-owned and hired vehicle protection
- $250 deductible with an alternate for $500 deductible

Vehicles:
- [year] [make] [model] Bookmobile Purchase Price: $[amount]
- [year] [make] [model] Minivan Purchase Price: $[amount]
[name] Public Library
INSURANCE SPECIFICATIONS

Comprehensive General Liability (Includes Volunteer Workers Coverage):
- Bodily Injury/Property Damage Each Occurrence $1,000,000
- General Aggregate Limit (Other than Products) $2,000,000
- Products-Completed Operations Aggregate Limit $2,000,000
- Personal and Advertising Injury Limit $1,000,000
- Each Occurrence Limit $1,000,000
- Fire Damage Limit (Any one fire) $100,000
- Medical Expense Limit (Any one person) $5,000
- Stop Gap Limit $1,000,000
- Employee Benefits Limit – $1,000 deductible $1,000,000
  (Annual payroll – $[amount])

Umbrella Coverage
- Limit $1,000,000
  (With options up to $5,000,000)

Public Library Errors & Omissions
- Legal Liability Each Loss $1,000,000
- Aggregate Each Annual Policy Year $3,000,000
  (For [number] FTE Employees)

Claims History:
<table>
<thead>
<tr>
<th>Year</th>
<th>Property</th>
<th>General Liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>$[amount]</td>
<td>$[amount]</td>
</tr>
<tr>
<td>2000</td>
<td>$[amount]</td>
<td>$[amount]</td>
</tr>
<tr>
<td>2001</td>
<td>$[amount]</td>
<td>$[amount]</td>
</tr>
<tr>
<td>2002</td>
<td>$[amount]</td>
<td>$[amount]</td>
</tr>
</tbody>
</table>

Note: If any amounts are listed above, briefly list what was claimed

Premium History:
<table>
<thead>
<tr>
<th>Year</th>
<th>Property</th>
<th>General Liability</th>
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</thead>
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<td>1999</td>
<td>$[amount]</td>
<td>$[amount]</td>
</tr>
<tr>
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<tr>
<td>2001</td>
<td>$[amount]</td>
<td>$[amount]</td>
</tr>
<tr>
<td>2002</td>
<td>$[amount]</td>
<td>$[amount]</td>
</tr>
</tbody>
</table>
**REQUEST FOR PROPOSAL - INSURANCE**

**RFP FORM INSTRUCTIONS** – Complete an RFP form for each carrier for which you are submitting a quote. Enter coverage limit and/or deductible where different. Attach additional explanation where necessary.

INSURANCE CARRIER/PROGRAM:  

A.M. BEST RATING (Carrier or Reinsurer): _____ 

FINANCIAL SIZE CLASS: ______

---

**PREMIUM SUMMARY:**

<table>
<thead>
<tr>
<th>Coverage Type</th>
<th>Deductible IF APPLICABLE</th>
<th>ANNUAL PREMIUM MM/DD/YY - M/DD/YY</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Building and Contents Coverage</td>
<td>$_______________</td>
<td>$________________</td>
</tr>
<tr>
<td>II. Boiler &amp; Machinery Coverage</td>
<td>$_______________</td>
<td>$________________</td>
</tr>
<tr>
<td>III. Inland Marine Coverage</td>
<td>$_______________</td>
<td>$________________</td>
</tr>
<tr>
<td>IV. Comprehensive General Liability</td>
<td>$_______________</td>
<td>$________________</td>
</tr>
<tr>
<td>V. Business Auto/Fleet Coverage</td>
<td>$_______________</td>
<td>$________________</td>
</tr>
<tr>
<td>VI. Data Processing Equipment</td>
<td>$_______________</td>
<td>$________________</td>
</tr>
<tr>
<td>VII. Commercial Crime Coverage</td>
<td>$_______________</td>
<td>$________________</td>
</tr>
<tr>
<td>VIII. Umbrella</td>
<td>$_______________</td>
<td>$________________</td>
</tr>
</tbody>
</table>

**Total Annual Premium**  

$________________

---

*[NAME] PUBLIC LIBRARY*  

OHIO LIBRARY COUNCIL – OHIO PUBLIC LIBRARY ACCOUNTING HANDBOOK  

100
RESPONDENT INFORMATION:

Name: ________________________________

Company: ________________________________

Address: ________________________________

City: ___________________ State: _______ Zip: _______

Telephone: (_____) __________________ Fax: (_____) ________________

I (we) hereby certify that I (we) are duly authorized and licensed representatives of the [name] company and are legally permitted to make this quote for insurance coverage to the [name] Public Library, and will enter into an agreement and/or binder for coverage with the [name] Public Library on or before [date] for coverage to be effective [date] if awarded the quote for coverage in writing by [date].

Signed: __________________________________________________________________________

Title: ________________________________ Date: _______________
### XXXX Public Library
Requisition Form

EXPENDITURE REQUEST: Submit in duplicate. Include with this form any relevant order forms, contracts, contract wording, etc. No orders for materials or service may be placed until this request is approved.

<table>
<thead>
<tr>
<th>VENDOR NAME:</th>
<th>REQUESTED BY:</th>
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<tbody>
<tr>
<td>Complete for New Vendors</td>
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</table>

<table>
<thead>
<tr>
<th>Street Address:</th>
<th>Date:</th>
</tr>
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<tbody>
<tr>
<td>City State Zip:</td>
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</table>

<table>
<thead>
<tr>
<th>Phone:</th>
<th>Department:</th>
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</thead>
<tbody>
<tr>
<td>Fax:</td>
<td>Requested By:</td>
</tr>
<tr>
<td>E-mail/Web Address:</td>
<td>Supervisor</td>
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</table>

<table>
<thead>
<tr>
<th>DATE REQUIRED</th>
<th>PAYMENT METHOD</th>
<th>REASON FOR PURCHASE:</th>
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<tbody>
<tr>
<td></td>
<td>Check ___</td>
<td>Credit Card ___</td>
</tr>
<tr>
<td></td>
<td>Purchase Order ___</td>
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</table>

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<thead>
<tr>
<th>QUANTITY</th>
<th>ITEM</th>
<th>UNITS</th>
<th>DESCRIPTION</th>
<th>DISCOUNT %</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
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</table>

Subtotal
Shipping
Miscellaneous
Balance Due

For Accounting Office Only:

<table>
<thead>
<tr>
<th>FUND#</th>
<th>ACCOUNT</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

PO Number
Issued:

Supervisor’s Approval:
Date:

Issued By:

Director’s Approval:
Date:

Req form 2002
Appendix S
GLOSSARY OF TERMS

Affidavit of Property Tax – A written or printed sworn and notarized declaration or statement of facts regarding the contracting party not presently charged with any delinquent personal property taxes. Also called a Delinquent Tax Affidavit.

AIA Document – American Institute of Architects standardized contract used for most construction projects of limited scope.

Amended Official Certificate – A form issued by the County Budget Commission showing the beginning unencumbered balances as of the beginning of the year (of which the library has informed the county); the estimated general property taxes, if any; and the estimated PLF monies that the county certifies will be distributed during the year, as well as any other sources of revenue that the library has informed the county should be expected to be received during the year. In summary, the total available balance by fund and a grand total of all estimated fund resources for the library.

Appropriation – Also called budget. Monetary limits set by formal board action to be used for specific expenditure purposes which correspond to the Auditor of State’s chart of accounts.

Auditor of State Bulletins – Informational bulletins produced by the auditor’s office that explain methods of accounting and other procedures that are necessary as changes in the Ohio Revised Code, Ohio Administrative Code, and other laws warrant (formerly called MAS Bulletins).

Authorized Depository - The institution which has been approved and designated by the board of library trustees where a monetary deposit can be placed and held in the library’s name.

Bid Bond – Type of indemnity bond required in public construction projects which must be filed at the time of the bid and which protects the public agency in the event that the bidder refuses to enter into a contract after the award is made to him, or withdraws his bid before the award can be made, or is unable to fulfill the contract after being awarded the contract.

Blanket Fidelity Bonds – A bond used for multiple purposes; a guaranty of personal honesty of officer furnishing indemnity against his defalcation or negligence; a contract whereby, for a consideration, one agrees to indemnify another against loss arising from the want of honesty, integrity, or fidelity of an employee or other person holding a position of trust.

Bond Issues – Written evidence of debt issued by a company with terms of payment set forth in documentation.

Budget – See Appropriation.

Cash Basis Accounting – A method of accounting where receipts are recognized when received in cash, rather than when earned, and expenses are recognized when a payment is made rather than when the liability is incurred.
**Cash Drawer** – Also see Change Fund. The location where the change fund is kept. This location should be secure and only accessible by authorized staff.

**Change Fund** – Also see Cash Drawer. The amount of money kept on hand to provide change to patrons. This amount must be board approved and should be kept at the same amount until the board authorizes a change in the amount.

**Chart of Accounts** – Also see Fund Number; also see Object Number. The list of accounts that have been authorized by the Auditor of State.

**Consumable Assets** – See Consumable Supplies.

**Consumable Supplies** – Also called Consumable Assets. Items that are “used up” in the course of business, such as office supplies.

**Contingency Fund** – Those funds set aside in the budget to allow for unexpected emergencies.

**Delinquent Tax Affidavit** – See Affidavit of Property Tax

**Depository Agreements** – Contracts signed with financial institutions to allow the entity to deposit public funds with that institution.

**Design Consultants** – Also called Design Professionals. Individuals or firms hired to create or design construction projects.

**Design Professionals** – See Design Consultants.

**Encumbrances** – A commitment that is not yet a liability, money set aside to pay for an obligation or to purchase goods or services. Also see Outstanding Encumbrances.

**Endowment** – A restricted cash donation where only the interest income is available for expenditure.

**Executive Session** – A non-public portion of the public meeting of the board of library trustees that has definite legal restrictions.

**Expendable Trust Fund** – Also see Non-expendable Trust Fund. A donation where interest as well as principle can be expended.

**Fixed Assets** – Items or property of the library not consumed, retain their shape, such as land, buildings, furniture, and equipment.

**Fund** – Separate accounting and reporting entities that are used to segregate specific activities. The primary operating fund is known as the “General Fund”.

**Fund Number** – Also see Chart of Accounts. The three digit number assigned by the Auditor of State to represent the type of fund.

**GAAP** – See Generally Accepted Accounting Principles.

**GAGAS** – See Generally Accepted Government Auditing Standards. Also see Non-GAGAS.
**Generally Accepted Accounting Principles** – Also called GAAP. Standards that govern the accrual method of accounting.

**Generally Accepted Government Auditing Standards** – Standards that govern certain audits by the Auditor of State. GAGAS audits require more documentation, are more detailed, require additional audit procedures, and thus are more costly as compared to non-GAGAS audits. If federal grants or other contracts are involved, the entity may be required to be audited by GAGAS.

**Homestead Exemption Act and Rollback Credits** – Exemptions and credits on property taxes given to property owners and homeowners by the State of Ohio. Every property taxpayer receives a 10% rollback credit (or reduction in taxes), while owner occupied residential properties receive an additional 2.5% reduction. In addition, low income elderly and permanently disabled receive a reduction in taxes, called the Homestead Exemption.

**Internal Controls** – Accounting practices and procedures that allow for more than one person to assume control of funds, assuring better accountability and decreasing the opportunity for theft in office. Examples of sound internal control practices include: having duties of director and fiscal officer separate; using dual signatures on all checks; and using a system of checks and balances when receiving goods/services and paying for them. Internal controls is one of the areas looked at very closely when the library is audited.

**LGS** – See Local Government Services.

**Library and Local Government Support Fund** – Also called LLGSF. Established in 1986, it funded all public libraries and a small amount of other entities. The LLGSF was a certain percentage of the State of Ohio’s personal income tax receipts as determined by Ohio Revised Code. The Ohio Tax Commissioner estimated the amount to be certified to each county auditor each July, with a revised estimate in December. The monies were distributed, through a formula set by the Ohio Department of Taxation, to county auditors, which in turn distributed them monthly to libraries. The name of the Library and Local Government Support Fund was changed to the Public Library (PLF) in June 2008.

**Line Item** – An account such as supplies, salaries, books, etc.

**LLGSF** – See Library and Local Government Support Fund.

**Local Government Services** – Also called LGS. The Division of the Auditor of State’s office provides services to all Ohio governmental agencies and subdivisions. LGS assists in GAAP conversions, financial forecasts, annual reports, internal control analysis, software applications, records reconstruction, financial training, and consultation.

**Local Property Tax Levy** – One of several ways that a governmental entity can raise additional revenues. Libraries can have tax levies placed on the ballot of the general or special elections in the state of Ohio. The library’s taxing authority must place the levy on the ballot for the library board, and a certain number of mills will be assessed on the property owners in the library’s legal service district if the levy is successful.

**Management Advisory Services** – Also called MAS. See Local Government Services.

**MAS** – See Management Advisory Services.

**Millage** – A value of 1/10 of a cent (.001); this is usually the denomination referred to when quoting property tax levy rates.
**Non-expendable Trust Fund** – Also see Expendable Trust Fund. A donation where restrictions have been placed on the ability to expend the principle amount/original donation amount.

**Non-GAGAS** – See Generally Accepted Government Auditing Standards. An audit done without applying generally accepted government auditing standards.

**Notice of Commencement** – Formal written public notice that specifies construction will commence at a specified location by specified contractors; must be recorded with the County Recorder prior to work commencement.

**Notice of Furnishing** – Formal written notice to the recipient that labor or materials are being supplied by a specified subcontractor to a specified contractor.

**Object Number** – Per the Auditor of State's Chart of Accounts number structure, the first two digits define the type (e.g., revenue or expense); the next three digits define the fund number; the last four digits are called the object numbers which indicate the detailed account name. Also see Chart of Accounts.

**OCBOA** – See Other Comprehensive Basis of Accounting.

**Organizational Meeting** – The first meeting of a newly-organized entity or the first meeting of the new fiscal year, generally occurring in January, at which time the officers are voted into office and any other annual business is addressed, such as regularly-scheduled meeting dates for the year, etc.

**Other Comprehensive Basis of Accounting** – Also called OCBOA. A basis of accounting, other than GAAP, that an entity uses to report its assets, liabilities, equity, revenues, and expenses.

**Outstanding Encumbrances** – Any encumbrances which have not yet been used to offset the payment of their respective invoices; also called open purchase orders. Also see Encumbrances.

**PLF** – See Public Library Fund below.

**Prevailing Wage Coordinator** – Person responsible for the compliance of prevailing wages laws as they relate to construction projects.

**Public Library Fund** – Also called PLF. The funding source for Ohio public libraries comes from the state’s total general tax revenue. The Ohio Tax Commissioner estimates the amount to be certified to each county auditor each July, with a revised estimate in December. The monies are distributed, through a formula set by the Ohio Department of Taxation, to county auditors, which in turn distribute them monthly to libraries.

**Purchase Order** – A tool used to order the purchase of goods and services, to encumber funds for the potential liability and to certify the availability of funds.

**Requisition Form** – Written request for purchase of goods and services that precedes the issuance of a purchase order.

**Retainage** – Percentage of money withheld from a construction contract to assure that the work is satisfactorily completed.
**Single Audit Act** – A type of annual audit required when federal funds exceed a prescribed threshold.

**STAR Ohio** – The State Treasury Asset Reserve of Ohio, a pooled investment fund administered by the Treasurer of State.

**Surety Bond** – A bond as security against a loss or damage due to negligence, theft, or nonperformance of a contract.

**Taxing Authority** – The entity that has legal and fiduciary responsibilities; see Ohio Revised Code 133.01.

**Uniform Accounting Network (UAN)** – A complete computer system of hardware and software, provided to entities by the Auditor of State. The system provides for uniform accounting practices, less audit time, and standardized financial management. The entity pays a very small monthly fee to use the system, which includes financial accounting, payroll, inventory, budgeting, word processing, spreadsheet, and database management modules.

**Voucher** – Document serving as proof of payment, such as a copy of the check or the source document preceding the issuance of the check.

**Warrant** – Document authorizing the payment or the check itself.