

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
ROACHDALE-FRANKLIN TOWNSHIP LIBRARY
PUTNAM COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
7/21/06

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Debra K. Sillery Debbie Keffer	01-01-04 to 04-28-04 04-29-04 to 12-31-06
Treasurer	Phyllis Riggle	01-01-04 to 12-31-06
President of the Board	Jo Ella Burns Jana Brothers	01-01-04 to 12-31-05 01-01-06 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE ROACHDALE-FRANKLIN
TOWNSHIP LIBRARY, PUTNAM COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Roachdale-Franklin Township Library (Library), for the period of January 1, 2004 to December 31, 2005. The Library's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Library for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

June 15, 2006

ROACHDALE-FRANKLIN TOWNSHIP LIBRARY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2004 And 2005

	<u>Cash and Investments 01-01-04</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-04</u>
Governmental Funds:				
General	\$ 3,295	\$ 79,556	\$ 60,377	\$ 22,474
Gift	1,533	697	1,336	894
Rainy Day	-	1,783	1,783	-
Library Improvement Reserve	-	5,334	-	5,334
Fiduciary Fund:				
PLAC	<u>26</u>	<u>52</u>	<u>78</u>	<u>-</u>
Totals	<u>\$ 4,854</u>	<u>\$ 87,422</u>	<u>\$ 63,574</u>	<u>\$ 28,702</u>
	<u>Cash and Investments 01-01-05</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-05</u>
Governmental Funds:				
General	\$ 22,474	\$ 51,460	\$ 49,377	\$ 24,557
Gift	894	992	356	1,530
Rainy Day	-	5,000	-	5,000
Library Improvement Reserve	5,334	119	-	5,453
Fiduciary Fund:				
PLAC	<u>-</u>	<u>56</u>	<u>28</u>	<u>28</u>
Totals	<u>\$ 28,702</u>	<u>\$ 57,627</u>	<u>\$ 49,761</u>	<u>\$ 36,568</u>

The accompanying notes are an integral part of the schedules.

ROACHDALE-FRANKLIN TOWNSHIP LIBRARY
NOTES TO SCHEDULES

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides the following services: culture and recreation.

Note 2. Fund Accounting

The Library uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Library in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Library on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Library to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

ROACHDALE-FRANKLIN TOWNSHIP LIBRARY
EXAMINATION RESULTS AND COMMENTS

COMPENSATION AND BENEFITS

The Library Board did not adopt a salary ordinance or salary schedule for compensation of employees during the years 2004 and 2005.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

CERTIFIED REPORT NOT FILED

The Library did not file a certified report of compensation of officers and employees (Form 100-R or its equivalent) with the State Board of Accounts for the year 2005.

Indiana Code 5-11-13-1 states in part: "Every state, county, city, town, township, or school official . . . shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts."

DEPOSITS

As stated in the prior Audit Report B23362, in numerous instances, receipts were deposited later than the next business day.

Indiana Code 5-13-6-1 (c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions, shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the several local boards of finance that have jurisdiction of the funds. Public funds deposited under this subsection shall be deposited in the same form in which they were received."

ROACHDALE-FRANKLIN TOWNSHIP LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on June 15, 2006, with Debbie Keffer, Director; and Jana Brothers, President of the Board. The officials concurred with our findings.