

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT

OF

YORK TOWNSHIP PUBLIC LIBRARY

BENTON COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED
11/13/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Christine McPeters	01-01-05 to 12-31-07
Treasurer	Paul A. Shultz	01-01-05 to 12-31-07
President of the Board	Jane Pilkington	01-01-05 to 12-31-07



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE YORK TOWNSHIP PUBLIC LIBRARY, BENTON COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the York Township Public Library (Library), for the period of January 1, 2005 to December 31, 2006. 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 schedules 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 presents fairly, in all material respects, the cash transactions of the Library for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 4, 2007

YORK TOWNSHIP PUBLIC LIBRARY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 31,540	\$ 11,579	\$ 4,731	\$ 38,388
Gift	1,015	-	389	626
Grant	882	-	-	882
	<u>33,437</u>	<u>11,579</u>	<u>5,120</u>	<u>39,896</u>
Totals	<u>\$ 33,437</u>	<u>\$ 11,579</u>	<u>\$ 5,120</u>	<u>\$ 39,896</u>
	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 38,388	\$ 11,981	\$ 5,689	\$ 44,680
Gift	626	-	-	626
Grant	882	-	-	882
	<u>39,896</u>	<u>11,981</u>	<u>5,689</u>	<u>46,188</u>
Totals	<u>\$ 39,896</u>	<u>\$ 11,981</u>	<u>\$ 5,689</u>	<u>\$ 46,188</u>

The accompanying notes are an integral part of the financial information.

YORK TOWNSHIP PUBLIC LIBRARY
NOTES TO FINANCIAL INFORMATION

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.

YORK TOWNSHIP PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

APPROVAL OF CLAIMS

The Library does not use Accounts Payable Vouchers for the approval and payment of claims. Invoices and other payments due to vendors are not presented to the Board for allowance. No prior approval from the Library Board is obtained for purchases of goods and services.

Indiana Code 5-11-10-2(a) states: "Claims against a political subdivision of the state must be approved by the officer or person receiving the goods or services, be audited for correctness and approved by the disbursing officer of the political subdivision, and, where applicable, be allowed by the governing body having jurisdiction over allowance of such claims before they are paid. If the claim is against a governmental entity (as defined in section 1.6 of this chapter), the claim must be certified by the fiscal officer."

PRESIGNING CHECKS

On the examination entrance date, twelve blank checks were found to be presigned by the Library Board President and Secretary. Three signatures are required for each check.

Checks and receipts should be prepared timely and not signed in advance of the event or transaction. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

LIBRARY BOARD DUTIES

The Library Board met two times during each year examined; the purposes of the meetings were to record the public hearing for the budget and to approve the budget. No other actions were recorded. A policy has not been adopted establishing fees for the use of the copy machine and the facsimile machine.

Board Meetings

The library board shall meet at least monthly and at any other time a meeting is necessary.

Treasurer Elected by Library Board

The library board shall annually elect a treasurer of the public library. The treasurer may be either a member of the library board or an employee of the library. However, the library director may not also be treasurer.

Written Fee Policy

All fees, fines, and other charges should be set in a written policy of the board and adopted at an official meeting of the board.

(Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 1)

YORK TOWNSHIP PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on September 4, 2007, with Paul A. Shultz, Treasurer; and Jane Pilkington, President of the Board. The officials concurred with our findings.