

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

EXAMINATION REPORT

OF

ROACHDALE-FRANKLIN TOWNSHIP PUBLIC LIBRARY

PUTNAM COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
10/17/2008

TABLE OF CONTENTS

| <u>Description</u> | <u>Page</u> |
|--|-------------|
| Officials | 2 |
| Independent Accountant's Report..... | 3 |
| Financial Information: | |
| Schedules of Receipts, Disbursements, and Cash and Investment Balances | 4 |
| Notes to Financial Information | 5 |
| Examination Result and Comment: | |
| Deposits | 6 |
| Exit Conference..... | 7 |
| Official Response | 8-9 |

OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|------------------------|----------------------------------|--|
| Director | Debbie Keffer | 01-01-06 to 12-31-08 |
| Treasurer | Phyllis Riggle Janet Stafford | 01-01-06 to 12-31-07 01-01-08 to 12-31-08 |
| President of the Board | Jana Brothers | 01-01-06 to 12-31-08 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Roachdale-Franklin Township Public Library (Library), for the period of January 1, 2006 to December 31, 2007. The Library's management is responsible for the financial information presented herein. 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 financial information presented herein 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 financial information referred to above presents fairly, in all material respects, the financial information of the Library for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 22, 2008

ROACHDALE-FRANKLIN TOWNSHIP PUBLIC 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, 2006 And 2007

| | Cash and Investments 01-01-06 | Receipts | Disbursements | Cash and Investments 12-31-06 |
|-----------------------------|-------------------------------------|------------------|------------------|-------------------------------------|
| Governmental Funds: | | | | |
| General | \$ 24,557 | \$ 59,566 | \$ 61,181 | \$ 22,942 |
| Gift | 1,530 | 960 | 665 | 1,825 |
| Rainy Day | 5,000 | 12,614 | - | 17,614 |
| Library Improvement Reserve | 5,453 | 300 | - | 5,753 |
| Fiduciary Fund: | | | | |
| PLAC | 28 | 62 | 90 | - |
| Totals | <u>\$ 36,568</u> | <u>\$ 73,502</u> | <u>\$ 61,936</u> | <u>\$ 48,134</u> |

| | Cash and Investments 01-01-07 | Receipts | Disbursements | Cash and Investments 12-31-07 |
|-----------------------------|-------------------------------------|------------------|------------------|-------------------------------------|
| Governmental Funds: | | | | |
| General | \$ 22,942 | \$ 62,883 | \$ 56,695 | \$ 29,130 |
| Gift | 1,825 | 1,879 | 908 | 2,796 |
| Rainy Day | 17,614 | 6,223 | 11,310 | 12,527 |
| Library Improvement Reserve | 5,753 | 300 | 510 | 5,543 |
| Fiduciary Fund: | | | | |
| PLAC | - | 120 | 120 | - |
| Totals | <u>\$ 48,134</u> | <u>\$ 71,405</u> | <u>\$ 69,543</u> | <u>\$ 49,996</u> |

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

ROACHDALE-FRANKLIN 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.

ROACHDALE-FRANKLIN TOWNSHIP PUBLIC LIBRARY
EXAMINATION RESULT AND COMMENT

DEPOSITS

As stated in the prior Reports B23362 and B27403, 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 PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on September 22, 2008, with Debbie Keffer, Director; and Janet Stafford, Treasurer. The official response has been made a part of this report and may be found on pages 8 and 9.

OFFICIAL RESPONSE

To: State Board of Accounts

From: Roachdale-Franklin Twp. P.L.

RE: Comments on Audit

This is an OFFICIAL RESPONSE to the findings of our exit conference for Roachdale-Franklin TWP. P.L. dated September 22, 2008.

Since I did not receive any written paper work as to the findings of the audit, other than the paper I am sending, I will go by what was verbally mentioned.

I am writing this because I disagree with the deposit findings on the audit. First, and most important. I can not be held accountable that the Treasurer at the court house mails all the checks the day they date ours. Also, that does not take in to account that the mail may not get it to us in a timely manner. These are all factors that are out of my control. But, you can be for certain that I will keep the envelope that they come in so that I can prove this.

I disagree with the findings, because I do not think the audit took in to consideration our fine policy. I have outlined my fines policy in writing to both the Indiana State Library, and the person responsible for my audit. Our policy for fines is that we send out statements a couple times a month, as needed. The patron is expected to pay on the date due. They have library services up to that date. Avoiding confusion and disappointment in not being allowed to check out materials. Because, of this due date, we only take in money a few times a month. Usually no more than \$10 to \$20 at a time. It is deposited within a 24 hr time period. Sometimes at the end of the day when the bank has already turned the stamp for the day. Taking in a small amount of money should not be a problem since we are a non-profit unit.

Since I told the person who was conducting the audit that I had a written policy, and it was available at the exit, but she never looked at it. It was her responsibility to read the policy. It would have been nice to be given the findings in writing, so you have something to respond to. When I have marked that I agree, I was always given a sheet with the findings at the exit.

Thank you for reading this.

Debbie Keffer-Director