

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

EXAMINATION REPORT

OF

CAMDEN-JACKSON TOWNSHIP PUBLIC LIBRARY

CARROLL COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
11/05/2008

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 Results and Comments:	
Penalties, Interest and Other Charges	6
Condition of Records	6-7
Capital Asset Records	7
Deposits.....	7
Exit Conference.....	8
Summary	9

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Shirley Schock	01-01-06 to 12-31-08
Treasurer	Camilla Downing	01-01-06 to 12-31-08
President of the Board	Diane Wertz	01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CAMDEN-JACKSON TOWNSHIP
PUBLIC LIBRARY, CARROLL COUNTY, INDIANA

We have examined the financial information presented herein of the Camden-Jackson 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 30, 2008

CAMDEN-JACKSON 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	\$ 17,063	\$ 56,592	\$ 36,706	\$ 36,949
Gift	15,101	6,237	2,863	18,475
Library Improvement Reserve	2,048	507	-	2,555
Library Capital Projects	1,873	8,051	2,728	7,196
Restoration	2,201	25	-	2,226
Totals	<u>\$ 38,286</u>	<u>\$ 71,412</u>	<u>\$ 42,297</u>	<u>\$ 67,401</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 36,949	\$ 29,872	\$ 41,075	\$ 25,746
Gift	18,475	5,277	3,297	20,455
Library Improvement Reserve	2,555	510	2,000	1,065
Library Capital Projects	7,196	690	4,651	3,235
Restoration	2,226	-	-	2,226
Totals	<u>\$ 67,401</u>	<u>\$ 36,349</u>	<u>\$ 51,023</u>	<u>\$ 52,727</u>

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

CAMDEN-JACKSON 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, and general administrative services.

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.

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.

CAMDEN-JACKSON TOWNSHIP PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties and interest related to federal payroll taxes, totaling \$7.46, were paid to the Internal Revenue Service for the year 2006. Additionally, penalties and interest related to state and local payroll taxes totaling \$29.09 and \$24.05 were paid to the Indiana Department of Revenue for the years 2006 and 2007, respectively.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest, or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

We requested Camillia Downing, Camden Library Treasurer, to reimburse the Library \$60.60 for the penalties and interest incurred. (See Summary, page 9)

CONDITION OF RECORDS

The following deficiencies, relating to the recordkeeping that were cited in the prior Report B27402, were again present during our period of examination:

- (1) Record balances were not reconciled to depository balances during the two year period.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

- (2) There were a considerable number of posting errors. These errors included deposits not receipted, checks and receipts not recorded in the proper amounts, interest not posted, and nonsufficient funds checks incorrectly posted.

CAMDEN-JACKSON TOWNSHIP PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS
(Continued)

(3) The Library Financial and Appropriation Record was not mathematically correct.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

CAPITAL ASSET RECORDS

The Library does not maintain capital asset records.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

DEPOSITS

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."

CAMDEN-JACKSON TOWNSHIP PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on September 30, 2008, with Camilla Downing, Treasurer; Shirley Schock, Director; and Diane Wertz, President of the Board; Patricia Cassidy, Secretary; and Tim Canen, Vice President of the Board. The officials concurred with our findings.

CAMDEN-JACKSON TOWNSHIP PUBLIC LIBRARY
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Camilla Downing, Treasurer:			
Penalties, Interest, and Other Charges, page 6	\$ 60.60	\$	\$
Received from Camilla Downing on			
September 30, 2008	<u> </u>	60.60	<u> </u> -
Totals	<u>\$ 60.60</u>	<u>\$ 60.60</u>	<u>\$ </u> -