

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

EXAMINATION REPORT
OF
SWITZERLAND COUNTY PUBLIC LIBRARY
SWITZERLAND COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
01/15/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Kristi D. Harms	01-01-06 to 12-31-08
Treasurer	Sundra Pinick Whitham	01-01-06 to 12-31-08
President of the Library Board	Janett Boling	01-01-06 to 12-31-08



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE SWITZERLAND COUNTY
PUBLIC LIBRARY, SWITZERLAND COUNTY, INDIANA

We have examined the financial information presented herein of the Switzerland County 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

December 30, 2008

SWITZERLAND COUNTY 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	\$ 107,183	\$ 232,680	\$ 284,428	\$ 55,435
Gift	386	1,100	130	1,356
Rainy Day	6,070	12,705	9,003	9,772
Library Memorial	489	170	116	543
Grants	566	15,713	14,157	2,122
Distance Learning	17,946	8,000	-	25,946
Library Improvement Reserve	20,664	989	15	21,638
Library Construction Gift	11,014	53,860	39,431	25,443
Fiduciary Funds:				
Payroll Withholdings	-	31,804	31,804	-
Totals	<u>\$ 164,318</u>	<u>\$ 357,021</u>	<u>\$ 379,084</u>	<u>\$ 142,255</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 55,435	\$ 246,062	\$ 268,489	\$ 33,008
Gift	1,356	-	-	1,356
Rainy Day	9,772	7,933	8,980	8,725
Library Memorial	543	-	70	473
Grants	2,122	28,095	11,402	18,815
Distance Learning	25,946	-	-	25,946
Library Improvement Reserve	21,638	106	-	21,744
Library Construction Gift	25,443	-	15,100	10,343
Fiduciary Funds:				
Payroll Withholdings	-	31,489	28,784	2,705
PLAC	-	30	30	-
Totals	<u>\$ 142,255</u>	<u>\$ 313,715</u>	<u>\$ 332,855</u>	<u>\$ 123,115</u>

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

SWITZERLAND COUNTY PUBLIC LIBRARY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides cultural 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 received 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.

Note 6. Subsequent Event

On October 2, 2007, a resolution electing to join the Public Employees' Retirement Fund was approved by the Library Board. The active participating membership of the Switzerland County Public Library shall begin on January 1, 2008.

SWITZERLAND COUNTY PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORD

The Library does not maintain a record of its capital assets and inventories are not performed. Accurate records and annual inventories are necessary controls which should be implemented to safeguard the Library's assets.

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)

DISBURSEMENTS IN EXCESS OF APPROPRIATIONS

Disbursements exceeded approved appropriations for the Rainy Day Fund in the amount of \$2,980 for the year 2007.

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

SWITZERLAND COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on December 30, 2008, with Kristi D. Harms, Director.
The official concurred with our findings.