

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

EXAMINATION REPORT
OF
CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
MONTGOMERY COUNTY, INDIANA
January 1, 2009 to December 31, 2010



FILED
10/06/2011

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Statements:	
Statements of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	6-7
Notes to Financial Statements	8-12
Supplementary Information:	
Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	14-21
Schedule of Long-Term Debt	22
Examination Results and Comments:	
Official Bond	23
Advance Payments.....	23
Contracts	23
Errors on Claims	23-24
Cash Disbursements	24
Capital Asset Records	24
Appropriations.....	24
Fund Sources and Uses	25
Ordinances and Resolutions	25
Timely Deposits	25
Exit Conference.....	26

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Larry Hathaway	01-01-09 to 12-31-11
Treasurer	E. Dwayne Rater Ronald D. Astin	07-01-08 to 06-30-11 07-01-11 to 06-30-12
President of the Board	Isobel S. Arvin Patricia A. Stull	07-01-08 to 06-30-11 07-01-11 to 06-30-12



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CRAWFORDSVILLE DISTRICT
PUBLIC LIBRARY, MONTGOMERY COUNTY, INDIANA

We have examined the financial statements of the Crawfordsville District Public Library (Library), for the period of January 1, 2009 to December 31, 2010. The Library's management is responsible for the financial statements. 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 statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis noted above is a different basis than that used in the prior year.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Library for the years ended December 31, 2009 and 2010, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Library's management, Library Board, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

August 17, 2011

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FINANCIAL STATEMENTS

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS

For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
General	\$ 777,396	\$ 1,192,569	\$ 1,233,531	\$ 736,434
State Technology Grant Fund	-	5,040	-	5,040
Gift	15,951	5,048	7,767	13,232
Rainy Day	-	43,605	-	43,605
Lost Books	2,565	2,332	571	4,326
Copier Fund	3,091	10,889	11,866	2,114
Fax Fund	4,511	3,490	2,275	5,726
Gift Endowment Principal	27,598	552	-	28,150
Gift Endowment Interest	17,602	-	-	17,602
Cmmc Endowment Principal	44,097	519	1,000	43,616
Friends Gift Fund	2,747	16,142	17,649	1,240
Building Project Gift Fund	29,885	-	-	29,885
Rr Donnelley Endowment Fund	50,000	-	-	50,000
Local History Fund	4,643	144	-	4,787
Meeting Room Fund	5,349	7,582	845	12,086
Lease Rental Payment	424,709	696,729	869,950	251,488
Library Improvement Reserve	653,714	15,313	305,764	363,263
Payroll	324	174,444	167,849	6,919
Plac Card	885	120	150	855
Totals	<u>\$ 2,065,067</u>	<u>\$ 2,174,518</u>	<u>\$ 2,619,217</u>	<u>\$ 1,620,368</u>

The notes to the financial statements are an integral part of this statement.

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 736,434	\$ 1,426,408	\$ 1,315,256	\$ 847,586
Technology	5,040	-	2,582	2,458
Building Project	29,885	-	29,885	-
Rainy Day Fund	43,605	43,227	-	86,832
Cmmc Endowment	43,616	290	2,458	41,448
Friends Gift	1,240	7,126	7,374	992
Lost Books	4,326	2,296	421	6,201
General Gifts	13,232	2,824	3,784	12,272
Endowment Int	17,602	29	-	17,631
Endowment Princ	28,150	301	-	28,451
Rr Donnelley Endowment	50,000	-	1,304	48,696
Levy Excess	-	4,053	-	4,053
Copier Fund	2,114	10,516	10,338	2,292
Fax Fund	5,726	3,730	-	9,456
Local History Fund	4,787	320	-	5,107
Meeting Room Fund	12,086	7,381	3,480	15,987
Unemployment Fund	-	6,000	-	6,000
Lease Rental	251,488	923,542	891,244	283,786
Library Improvement Reserve	363,263	126,976	197,058	293,181
Payroll	6,919	182,363	181,552	7,730
Plac Card	855	250	250	855
Totals	<u>\$ 1,620,368</u>	<u>\$ 2,747,632</u>	<u>\$ 2,646,986</u>	<u>\$ 1,721,014</u>

The notes to the financial statements are an integral part of this statement.

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Library was established under the laws of the State of Indiana. The Library operates under an appointed governing board and provides culture services.

The accompanying financial statements presents the financial information for the Library (primary government), and does not include financial information for any of the Library's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the Library (primary government).

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Library.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the Library. It includes all expenditures for the reduction of the principal and interest of the Library's general obligation indebtedness.

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The Library may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the Library. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Library. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the Library in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Library submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Library in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize 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 5. Risk Management

The Library may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Library to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the Library by recording as a disbursement and replacement items purchased.

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Library authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Library's Annual Reports can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009

	General	State Technology Grant Fund	Gift	Rainy Day	Lost Books
Cash and investments - beginning	\$ 777,396	\$ -	\$ 15,951	\$ -	\$ 2,565
Receipts:					
Taxes	594,933	-	-	-	-
Licenses and permits	32,736	-	-	-	-
Intergovernmental	531,674	5,040	-	43,605	-
Charges for services	272	-	-	-	2,242
Fines and forfeits	24,618	-	-	-	-
Other receipts	8,336	-	5,048	-	90
Total receipts	<u>1,192,569</u>	<u>5,040</u>	<u>5,048</u>	<u>43,605</u>	<u>2,332</u>
Disbursements:					
Personal services	814,020	-	3,014	-	-
Supplies	33,705	-	1,303	-	-
Other services and charges	288,902	-	3,150	-	67
Capital outlay	96,904	-	300	-	504
Other disbursements	-	-	-	-	-
Total disbursements	<u>1,233,531</u>	<u>-</u>	<u>7,767</u>	<u>-</u>	<u>571</u>
Excess (deficiency) of receipts over disbursements	<u>(40,962)</u>	<u>5,040</u>	<u>(2,719)</u>	<u>43,605</u>	<u>1,761</u>
Cash and investments - ending	<u>\$ 736,434</u>	<u>\$ 5,040</u>	<u>\$ 13,232</u>	<u>\$ 43,605</u>	<u>\$ 4,326</u>

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Copier Fund	Fax Fund	Gift Endowment Principal	Gift Endowment Interest	Cmmc Endowment Principal
Cash and investments - beginning	\$ 3,091	\$ 4,511	\$ 27,598	\$ 17,602	\$ 44,097
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	10,889	3,490	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	552	-	519
Total receipts	<u>10,889</u>	<u>3,490</u>	<u>552</u>	<u>-</u>	<u>519</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	2,533	-	-	-	-
Other services and charges	9,333	2,275	-	-	-
Capital outlay	-	-	-	-	1,000
Other disbursements	-	-	-	-	-
Total disbursements	<u>11,866</u>	<u>2,275</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Excess (deficiency) of receipts over disbursements	<u>(977)</u>	<u>1,215</u>	<u>552</u>	<u>-</u>	<u>(481)</u>
Cash and investments - ending	<u>\$ 2,114</u>	<u>\$ 5,726</u>	<u>\$ 28,150</u>	<u>\$ 17,602</u>	<u>\$ 43,616</u>

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Friends Gift Fund	Building Project Gift Fund	Rr Donnelley Endowment Fund	Local History Fund	Meeting Room Fund
Cash and investments - beginning	\$ 2,747	\$ 29,885	\$ 50,000	\$ 4,643	\$ 5,349
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	7,582
Fines and forfeits	-	-	-	-	-
Other receipts	16,142	-	-	144	-
Total receipts	<u>16,142</u>	<u>-</u>	<u>-</u>	<u>144</u>	<u>7,582</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	7,234	-	-	-	-
Other services and charges	-	-	-	-	845
Capital outlay	10,415	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>17,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>845</u>
Excess (deficiency) of receipts over disbursements	<u>(1,507)</u>	<u>-</u>	<u>-</u>	<u>144</u>	<u>6,737</u>
Cash and investments - ending	<u>\$ 1,240</u>	<u>\$ 29,885</u>	<u>\$ 50,000</u>	<u>\$ 4,787</u>	<u>\$ 12,086</u>

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Lease Rental Payment	Library Improvement Reserve	Payroll	Plac Card	Totals
Cash and investments - beginning	\$ 424,709	\$ 653,714	\$ 324	\$ 885	\$ 2,065,067
Receipts:					
Taxes	3,661	-	-	-	598,594
Licenses and permits	36,313	-	-	-	69,049
Intergovernmental	-	-	-	-	580,319
Charges for services	-	-	-	-	24,475
Fines and forfeits	-	-	-	-	24,618
Other receipts	656,755	15,313	174,444	120	877,463
Total receipts	696,729	15,313	174,444	120	2,174,518
Disbursements:					
Personal services	-	-	167,849	-	984,883
Supplies	-	-	-	-	44,775
Other services and charges	950	32,104	-	150	337,776
Capital outlay	869,000	273,660	-	-	1,251,783
Other disbursements	-	-	-	-	-
Total disbursements	869,950	305,764	167,849	150	2,619,217
Excess (deficiency) of receipts over disbursements	(173,221)	(290,451)	6,595	(30)	(444,699)
Cash and investments - ending	\$ 251,488	\$ 363,263	\$ 6,919	\$ 855	\$ 1,620,368

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General	Technology	Building Project	Rainy Day Fund	Cmmc Endowment	Friends Gift
Cash and investments - beginning	\$ 736,434	\$ 5,040	\$ 29,885	\$ 43,605	\$ 43,616	\$ 1,240
Receipts:						
Taxes	818,787	-	-	-	-	-
Intergovernmental	580,694	-	-	43,227	-	-
Charges for services	1,565	-	-	-	-	-
Fines and forfeits	22,964	-	-	-	-	-
Other receipts	2,398	-	-	-	290	7,126
Total receipts	<u>1,426,408</u>	<u>-</u>	<u>-</u>	<u>43,227</u>	<u>290</u>	<u>7,126</u>
Disbursements:						
Personal services	818,258	-	-	-	-	-
Supplies	35,563	-	-	-	2,458	5,282
Other services and charges	276,952	432	-	-	-	2,092
Capital outlay	153,647	2,150	29,885	-	-	-
Other disbursements	30,836	-	-	-	-	-
Total disbursements	<u>1,315,256</u>	<u>2,582</u>	<u>29,885</u>	<u>-</u>	<u>2,458</u>	<u>7,374</u>
Excess (deficiency) of receipts over disbursements	<u>111,152</u>	<u>(2,582)</u>	<u>(29,885)</u>	<u>43,227</u>	<u>(2,168)</u>	<u>(248)</u>
Cash and investments - ending	<u>\$ 847,586</u>	<u>\$ 2,458</u>	<u>\$ -</u>	<u>\$ 86,832</u>	<u>\$ 41,448</u>	<u>\$ 992</u>

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Lost Books	General Gifts	Endowment Int	Endowment Princ	Rr Donnelley Endowment	Levy Excess
Cash and investments - beginning	\$ 4,326	\$ 13,232	\$ 17,602	\$ 28,150	\$ 50,000	\$ -
Receipts:						
Taxes	-	-	-	-	-	4,053
Intergovernmental	-	-	-	-	-	-
Charges for services	2,286	-	-	-	-	-
Fines and forfeits	10	-	-	-	-	-
Other receipts	-	2,824	29	301	-	-
Total receipts	<u>2,296</u>	<u>2,824</u>	<u>29</u>	<u>301</u>	<u>-</u>	<u>4,053</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	1,164	-	-	-	-
Other services and charges	53	230	-	-	-	-
Capital outlay	368	2,390	-	-	1,304	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>421</u>	<u>3,784</u>	<u>-</u>	<u>-</u>	<u>1,304</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,875</u>	<u>(960)</u>	<u>29</u>	<u>301</u>	<u>(1,304)</u>	<u>4,053</u>
Cash and investments - ending	<u>\$ 6,201</u>	<u>\$ 12,272</u>	<u>\$ 17,631</u>	<u>\$ 28,451</u>	<u>\$ 48,696</u>	<u>\$ 4,053</u>

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Copier Fund	Fax Fund	Local History Fund	Meeting Room Fund	Unemployment Fund
Cash and investments - beginning	\$ 2,114	\$ 5,726	\$ 4,787	\$ 12,086	\$ -
Receipts:					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	10,516	3,730	-	7,381	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	320	-	6,000
Total receipts	<u>10,516</u>	<u>3,730</u>	<u>320</u>	<u>7,381</u>	<u>6,000</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	10,338	-	-	2,635	-
Other services and charges	-	-	-	845	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>10,338</u>	<u>-</u>	<u>-</u>	<u>3,480</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>178</u>	<u>3,730</u>	<u>320</u>	<u>3,901</u>	<u>6,000</u>
Cash and investments - ending	<u>\$ 2,292</u>	<u>\$ 9,456</u>	<u>\$ 5,107</u>	<u>\$ 15,987</u>	<u>\$ 6,000</u>

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Lease Rental	Library Improvement Reserve	Payroll	Plac Card	Totals
Cash and investments - beginning	\$ 251,488	\$ 363,263	\$ 6,919	\$ 855	\$ 1,620,368
Receipts:					
Taxes	871,730	-	-	-	1,694,570
Intergovernmental	48,081	-	-	-	672,002
Charges for services	1,634	923	-	-	28,035
Fines and forfeits	-	-	-	-	22,974
Other receipts	2,097	126,053	182,363	250	330,051
Total receipts	<u>923,542</u>	<u>126,976</u>	<u>182,363</u>	<u>250</u>	<u>2,747,632</u>
Disbursements:					
Personal services	-	-	181,552	-	999,810
Supplies	-	-	-	-	57,440
Other services and charges	11,950	41,333	-	250	334,137
Capital outlay	813,763	155,725	-	-	1,159,232
Other disbursements	65,531	-	-	-	96,367
Total disbursements	<u>891,244</u>	<u>197,058</u>	<u>181,552</u>	<u>250</u>	<u>2,646,986</u>
Excess (deficiency) of receipts over disbursements	<u>32,298</u>	<u>(70,082)</u>	<u>811</u>	<u>-</u>	<u>100,646</u>
Cash and investments - ending	<u>\$ 283,786</u>	<u>\$ 293,181</u>	<u>\$ 7,730</u>	<u>\$ 855</u>	<u>\$ 1,721,014</u>

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Library Building	<u>\$ 9,325,000</u>	<u>\$ 868,000</u>

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The official bond for E. Dwayne Rater for the period of July 1, 2010 to June 30, 2011, was not filed in the Office of the County Recorder. A similar comment was included in prior Report B35560.

IC 36-12-2-22(g) requires the Treasurer's bond to be deposited in the office of the County Recorder. Other library employee bonds shall also be filed in the office of the County Recorder. (Accounting and Uniform Compliance Guidelines manual for Libraries, Chapter 1)

ADVANCE PAYMENTS

On December 28, 2010, payment was made to Gamble Richardson CPAs for services for December 2010 through May 2011.

Compensation and any other payments for goods and services should not be paid in advance of receipt of the goods or services unless specifically authorized by statute. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

CONTRACTS

Payments totaling \$8,004.19 in 2009 and \$12,425 in 2010 were made to Gamble Richardson CPAs for accounting services without a contract. Payments totaling \$9,307.15 and \$13,063.50 in 2010 were made to Turner's Lawn and Landscape for lawn care without a contract.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

ERRORS ON CLAIMS

The following deficiencies were noted on claims during the examination period:

Some claims tested were not certified by the Director.

Some claims tested were not signed as having been allowed by the governing body.

Each payment must be supported by a fully itemized invoice or other documentation. The documentation should be available to the board for their review before approval. The library director must certify to the board before payment that each claim is true and correct and that the goods or services were received. This certification must be on Library Form No. 4, which should be completed with information regarding the payee, invoice date and number, description of service or material, amount to be paid, and the account to be charged. (Accounting and Uniform Compliance Guidelines for Libraries, Chapter 3)

A majority of the library board must approve each payment. The board may choose one of three methods to record their approval:

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS
(Continued)

1. Signatures of a majority of the board on each Accounts Payable Voucher (Library Form No. 4).
2. Signatures of a majority of the board on the Register of Claims (General Form No. 364) listing each payment to be made.
3. Inclusion of a list of the approved payments in the board minutes, which are then signed by a majority of the board.

After payments are approved, warrants may be issued and signed by the treasurer of the library board. (Accounting and Uniform Compliance Guidelines for Libraries, Chapter 3)

CASH DISBURSEMENTS

Christmas bonuses for employees for 2009 were paid in cash, totaling \$2,800. The Payroll Clerk grossed up the wages and added the totals to each employee's W2.

Disbursements, other than proper petty cash disbursements, shall be by check or warrant, not by cash or other methods unless specifically authorized by statute, federal or state rule. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

CAPITAL ASSET RECORDS

The Library presented appraisals of the land, building, furnishings and circulating material for review. They do not maintain records that would reflect the acquisition value of those assets. A similar comment was included in Report B35560.

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 form. A complete inventory should be taken at least 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)

APPROPRIATIONS

The following expenditures were in excess of budgeted appropriations:

Fund	Years	Excess Amount Expended
Lease Rental Payment Fund	2009	\$ 950
Lease Rental Payment Fund	2010	23,294

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."

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS
(Continued)

FUND SOURCES AND USES

Funds totaling \$23,294 were disbursed from the Lease Rental Payment Fund for a new parking lot and a credit profile study. The Lease Rental Payment Fund is a debt service fund and only debt payments should be disbursed from this fund.

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

ORDINANCES AND RESOLUTIONS

The Library did not have a salary resolution for 2009 or 2010.

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. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 8)

TIMELY DEPOSITS

In numerous instances, local distribution receipts were deposited later than the next business day. Several of the distributions were deposited over two weeks late.

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."

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on August 17, 2011, with Larry Hathaway, Director; Patricia A. Stull, President of the Library Board; E. Dwayne Rater, former Treasurer; and Ronald D. Astin, Treasurer. The officials concurred with our findings.