

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

DUBOIS COUNTY CONTRACTUAL LIBRARY

DUBOIS COUNTY, INDIANA

January 1, 2010 to December 31, 2011



**FILED**  
09/17/2012



## 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 .....	8-11
Supplementary Information:	
Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	14-17
Schedule of Long-Term Debt .....	18
Schedule of Capital Assets.....	19
Examination Results and Comments:	
List of Employees Not Filed with County Treasurer .....	20
Board Minutes.....	20
Appropriations.....	20
Compensation and Benefits - DCCL .....	21
Annual Report.....	21
Record of Hours Worked .....	22
Exit Conference.....	23

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Rita C. Douthitt	01-01-10 to 12-31-12
Treasurer	Deborah J. Stemle	01-01-10 to 12-31-12
Bookkeeper	Rita Lovell James Sheetz	01-01-10 to 03-01-12 03-01-12 to 12-31-12
President of the Board	Kathleen J. Tretter	01-01-10 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE DUBOIS COUNTY CONTRACTUAL LIBRARY, DUBOIS COUNTY, INDIANA

We have examined the financial statements of the Dubois County Contractual Library (Library), for the period of January 1, 2010 to December 31, 2011. 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, 2010 and 2011, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Long-Term Debt, and Schedule of Capital Assets, 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 others within the entity, 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

June 25, 2012

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## FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Library. The financial statements and notes are presented as intended by the Library.

DUBOIS COUNTY CONTRACTUAL LIBRARY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Operating Fund	\$ 372,831	\$ 630,924	\$ 507,119	\$ 496,636
Grant Community Focus	-	364,901	364,901	-
State Tech Grant	3,511	5,493	3,615	5,389
Grant - Rural Development	-	5	-	5
General Gift Fund	2,155	12,292	615	13,832
Rainy Day Fund	205,230	16,557	-	221,787
Gift Fund Dubois Branch Project	14,985	10,993	5,842	20,136
Levy Excess	1,522	1,194	1,522	1,194
Debt Service	29,437	484,897	325,669	188,665
Construction Fund	3,079,555	20,207	2,734,624	365,138
Library Improvement Reserve	633,708	364,901	792,901	205,708
Payroll & Withholdings	3,968	146,967	144,841	6,094
Totals	<u>\$ 4,346,902</u>	<u>\$ 2,059,331</u>	<u>\$ 4,881,649</u>	<u>\$ 1,524,584</u>

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

DUBOIS COUNTY CONTRACTUAL LIBRARY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Operating Fund	\$ 496,636	\$ 962,453	\$ 950,870	\$ 508,219
Rainy Day Fund	221,787	183,381	397,785	7,383
LSTA Tech Grant - Dubois	-	9,248	9,248	-
Levy Excess	1,194	-	1,194	-
Library Improvement Reserve	205,708	233,707	364,858	74,557
Grant Community Focus	-	180,431	180,431	-
State Tech Grant	5,389	9,439	5,389	9,439
Grant - Rural Development	5	396,536	393,072	3,469
General Gift Fund	13,832	4,526	3,659	14,699
Gift Fund Dubois Branch Project	20,136	58,752	54,863	24,025
Debt Service	188,665	655,542	659,088	185,119
Construction Fund	365,138	92,659	267,248	190,549
Payroll & Withholdings	6,094	61,515	62,086	5,523
Totals	<u>\$ 1,524,584</u>	<u>\$ 2,848,189</u>	<u>\$ 3,349,791</u>	<u>\$ 1,022,982</u>

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

DUBOIS COUNTY CONTRACTUAL 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 present the financial information for the Library.

*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 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.

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.

DUBOIS COUNTY CONTRACTUAL LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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).

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 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.

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

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.

DUBOIS COUNTY CONTRACTUAL LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

*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 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.

**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.

DUBOIS COUNTY CONTRACTUAL LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

**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 any 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 Indiana Public Retirement System (INPRS) 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.

INPRS 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:

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

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

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## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Library's 2010 Annual Report can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

For additional financial information, the Library's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Library which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was prepared and/or approved by management of the Library. It is presented as intended by the Library.

DUBOIS COUNTY CONTRACTUAL LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010

	Operating Fund	Grant Community Focus	State Tech Grant	Grant - Rural Development	General Gift Fund	Rainy Day Fund	Gift Fund Dubois Branch Project
Cash and investments - beginning	\$ 372,831	\$ -	\$ 3,511	\$ -	\$ 2,155	\$ 205,230	\$ 14,985
Receipts:							
Taxes	432,448	-	-	-	-	-	-
Intergovernmental	183,154	364,901	5,493	5	-	14,275	-
Charges for services	481	-	-	-	-	-	-
Fines and forfeits	3,863	-	-	-	-	-	-
Other receipts	10,978	-	-	-	12,292	2,282	10,993
Total receipts	<u>630,924</u>	<u>364,901</u>	<u>5,493</u>	<u>5</u>	<u>12,292</u>	<u>16,557</u>	<u>10,993</u>
Disbursements:							
Personal services	186,832	-	-	-	-	-	-
Supplies	11,749	-	-	-	-	-	-
Other services and charges	144,542	-	3,615	-	-	-	-
Capital outlay	163,996	364,901	-	-	-	-	-
Other disbursements	-	-	-	-	615	-	5,842
Total disbursements	<u>507,119</u>	<u>364,901</u>	<u>3,615</u>	<u>-</u>	<u>615</u>	<u>-</u>	<u>5,842</u>
Excess (deficiency) of receipts over disbursements	<u>123,805</u>	<u>-</u>	<u>1,878</u>	<u>5</u>	<u>11,677</u>	<u>16,557</u>	<u>5,151</u>
Cash and investments - ending	<u>\$ 496,636</u>	<u>\$ -</u>	<u>\$ 5,389</u>	<u>\$ 5</u>	<u>\$ 13,832</u>	<u>\$ 221,787</u>	<u>\$ 20,136</u>

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

	Levy Excess	Debt Service	Construction Fund	Library Improvement Reserve	Payroll & Withholdings	Totals
Cash and investments - beginning	\$ 1,522	\$ 29,437	\$ 3,079,555	\$ 633,708	\$ 3,968	\$ 4,346,902
Receipts:						
Taxes	1,194	441,427	-	-	-	875,069
Intergovernmental	-	43,470	-	-	-	611,298
Charges for services	-	-	-	-	-	481
Fines and forfeits	-	-	-	-	-	3,863
Other receipts	-	-	20,207	364,901	146,967	568,620
Total receipts	<u>1,194</u>	<u>484,897</u>	<u>20,207</u>	<u>364,901</u>	<u>146,967</u>	<u>2,059,331</u>
Disbursements:						
Personal services	-	-	-	-	-	186,832
Supplies	-	-	-	-	-	11,749
Other services and charges	-	-	91,064	96,857	-	336,078
Capital outlay	-	-	2,643,560	331,143	-	3,503,600
Other disbursements	1,522	325,669	-	364,901	144,841	843,390
Total disbursements	<u>1,522</u>	<u>325,669</u>	<u>2,734,624</u>	<u>792,901</u>	<u>144,841</u>	<u>4,881,649</u>
Excess (deficiency) of receipts over disbursements	<u>(328)</u>	<u>159,228</u>	<u>(2,714,417)</u>	<u>(428,000)</u>	<u>2,126</u>	<u>(2,822,318)</u>
Cash and investments - ending	<u>\$ 1,194</u>	<u>\$ 188,665</u>	<u>\$ 365,138</u>	<u>\$ 205,708</u>	<u>\$ 6,094</u>	<u>\$ 1,524,584</u>

DUBOIS COUNTY CONTRACTUAL LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011

	Operating Fund	Rainy Day Fund	LSTA Tech Grant - Dubois	Levy Excess	Library Improvement Reserve	Grant Community Focus	State Tech Grant
Cash and investments - beginning	\$ 496,636	\$ 221,787	\$ -	\$ 1,194	\$ 205,708	\$ -	\$ 5,389
Receipts:							
Taxes	446,841	-	-	-	-	-	-
Intergovernmental	238,554	-	9,248	-	-	135,100	9,439
Charges for services	1,708	-	-	-	-	-	-
Fines and forfeits	9,874	-	-	-	-	-	-
Other receipts	265,476	183,381	-	-	233,707	45,331	-
Total receipts	<u>962,453</u>	<u>183,381</u>	<u>9,248</u>	<u>-</u>	<u>233,707</u>	<u>180,431</u>	<u>9,439</u>
Disbursements:							
Personal services	316,138	-	-	-	-	-	-
Supplies	23,613	-	-	-	15	-	-
Other services and charges	176,372	-	-	-	60,320	-	5,389
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	202,603	215,000	9,248	-	139,665	135,100	-
Other disbursements	232,144	182,785	-	1,194	164,858	45,331	-
Total disbursements	<u>950,870</u>	<u>397,785</u>	<u>9,248</u>	<u>1,194</u>	<u>364,858</u>	<u>180,431</u>	<u>5,389</u>
Excess (deficiency) of receipts over disbursements	<u>11,583</u>	<u>(214,404)</u>	<u>-</u>	<u>(1,194)</u>	<u>(131,151)</u>	<u>-</u>	<u>4,050</u>
Cash and investments - ending	<u>\$ 508,219</u>	<u>\$ 7,383</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,557</u>	<u>\$ -</u>	<u>\$ 9,439</u>

DUBOIS COUNTY CONTRACTUAL LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Grant - Rural Development	General Gift Fund	Gift Fund Dubois Branch Project	Debt Service	Construction Fund	Payroll & Withholdings	Totals
Cash and investments - beginning	\$ 5	\$ 13,832	\$ 20,136	\$ 188,665	\$ 365,138	\$ 6,094	\$ 1,524,584
Receipts:							
Taxes	200,000	-	-	299,156	-	-	945,997
Intergovernmental	-	-	-	26,842	-	-	419,183
Charges for services	-	-	-	-	-	-	1,708
Fines and forfeits	-	-	-	-	-	-	9,874
Other receipts	196,536	4,526	58,752	329,544	92,659	61,515	1,471,427
Total receipts	<u>396,536</u>	<u>4,526</u>	<u>58,752</u>	<u>655,542</u>	<u>92,659</u>	<u>61,515</u>	<u>2,848,189</u>
Disbursements:							
Personal services	-	-	-	-	-	-	316,138
Supplies	-	-	-	-	3,362	-	26,990
Other services and charges	-	-	-	-	43,830	-	285,911
Debt service - principal and interest	-	-	-	329,544	-	-	329,544
Capital outlay	196,536	3,659	-	-	129,123	-	1,030,934
Other disbursements	196,536	-	54,863	329,544	90,933	62,086	1,360,274
Total disbursements	<u>393,072</u>	<u>3,659</u>	<u>54,863</u>	<u>659,088</u>	<u>267,248</u>	<u>62,086</u>	<u>3,349,791</u>
Excess (deficiency) of receipts over disbursements	<u>3,464</u>	<u>867</u>	<u>3,889</u>	<u>(3,546)</u>	<u>(174,589)</u>	<u>(571)</u>	<u>(501,602)</u>
Cash and investments - ending	<u>\$ 3,469</u>	<u>\$ 14,699</u>	<u>\$ 24,025</u>	<u>\$ 185,119</u>	<u>\$ 190,549</u>	<u>\$ 5,523</u>	<u>\$ 1,022,982</u>

DUBOIS COUNTY CONTRACTUAL LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2011

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Bonds payable:		
General obligation bonds:		
Ferdinand Library	\$ 3,745,000	\$ 162,335

DUBOIS COUNTY CONTRACTUAL LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2011

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

The Dubois County Contractual Library is a small unit with revenue falling within the Phase III category; therefore, the Library has been reporting infrastructure as of January 1, 2004, and thereafter. However, there has been no change to date in infrastructure since January 1, 2004.

General infrastructure assets are included if acquired (purchased, constructed, or donated) after January 1, 2004, or if they received major renovations, restorations, or improvements after that date. The government was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 175,000
Buildings	3,729,305
Equipment	542,934
Library materials (books, etc.)	<u>1,189,740</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 5,636,979</u>

DUBOIS COUNTY CONTRACTUAL LIBRARY  
EXAMINATION RESULTS AND COMMENTS

**LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER**

A list of employees was not certified to the County Treasurer for the years 2010 or 2011.

Indiana Code 6-1.1-22-14(a) states in part:

"On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

**BOARD MINUTES**

Board minutes were not always clear on actions taken (i.e., contract, temporary loan, transfers, etc., approved but did not always include the amount approved).

Indiana Code 5-14-1.5-4 states in part:

"(b) As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5."

**APPROPRIATIONS**

The following expenditures were in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
General	2011	<u>\$1,315.75</u>

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."

DUBOIS COUNTY CONTRACTUAL LIBRARY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

**COMPENSATION AND BENEFITS - DCCL**

Salaries and wages paid were not always approved by the Library Board. The salary resolution passed by the Library Board did not include all job classifications. Employees' hourly rates were approved by The Library Director.

Indiana Code 36-12-2-24(b) provides that:

"The library board shall employ and discharge librarians and other persons that are necessary in the administration of the affairs of the library. The board shall:

1. fix and pay their compensation;
2. classify them and adopt schedules of salaries; and
3. determine their number and prescribe their duties; all with the advice and recommendations of the library director."

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, and resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

**ANNUAL REPORT**

The Annual Reports for 2010 and 2011 were presented for audit. However, the 2011 Annual Report was not submitted timely to the State Board of Accounts through the Gateway software.

The Bookkeeper for the Library resigned March 1, 2012, and the new Bookkeeper began employment February 27, 2012. During the changeover of the Bookkeepers, the filing of the Annual Report was not completed timely.

Indiana Code 5-11-1-4(a) states in part:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year."

DUBOIS COUNTY CONTRACTUAL LIBRARY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

***RECORDS OF HOURS WORKED***

The Technology Manager works for both the Jasper Public Library and the Dubois County Contractual Library. He does keep a time sheet but his time is split evenly between the two libraries. An employee is required to keep accurate records of the time worked for each subdivision.

The Technology Manager is paid for "remote time" (work performed offsite) with no documentation of the hours worked offsite or what tasks were performed offsite. Documentation of "remote" hours and a brief description of tasks performed should be prepared and attached to the time sheet.

Indiana Code 5-11-9-4(b) states in part: ". . . records be maintained showing which hours were worked each day by officers and employees . . . employed . . . in more than one (1) position by the same public agency . . ."

DUBOIS COUNTY CONTRACTUAL LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on June 25, 2012, with Kathleen J. Tretter, Board President; Deborah J. Stemle, Treasurer; and Rita C. Douthitt, Director.