

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

PIKE COUNTY PUBLIC LIBRARY

PIKE COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
09/26/2012

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	14-20
Schedule of Payables and Receivables	21
Schedule of Capital Assets.....	22
Examination Results and Comments:	
List of Employees Not Filed With County Treasurer	23
Errors on Claims	23-24
Supporting Documentation	24
Contracts	24
Exit Conference.....	25

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Ginger Rogers	01-01-10 to 12-31-12
Treasurer	James Lemoin Woods Robin Whaley	01-01-10 to 04-10-12 04-10-12 to 12-31-12
President of the Board	Donna Poehlein	01-01-10 to 12-31-12
Bookkeeper	Thomas E. Behme	01-01-10 to 12-31-12



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial statements of Pike County Public 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 Payables and Receivables, 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

July 3, 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.

PIKE COUNTY PUBLIC 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	\$ 436,336	\$ 849,826	\$ 917,933	\$ 368,229
Brick Donations	-	6,650	-	6,650
Rainy Day	-	60,000	39,000	21,000
Levy Excess	5,872	1,026	-	6,898
Building Fund	1,000	100	1,000	100
Library Improvement Reserve	850,945	66,666	-	917,611
Capitol Projects	-	-	-	-
Perf	295	1,459	1,488	266
Payroll Withholding-Federal	-	13,370	13,370	-
Payroll Withholding-State	-	9,571	9,571	-
Payroll Withholding-Local Tax	-	1,539	1,539	-
Plac Card	-	-	-	-
Payroll Withholding-Medicare	-	20,972	20,972	-
Gift Fund	19,097	494,382	264,031	249,448
Friends Summer Fund	246	250	296	200
Karl Schafer Fund	100	-	100	-
Genealogy Gift Fund	452	1,686	1,312	826
Wilson Fund	175,528	2,505	178,033	-
Nichols Fund	5,714	82	-	5,796
Boonshot Fund	11,460	163	-	11,623
Barrett Fund	48,871	697	49,568	-
Hall Fund	486	7	493	-
Tweens Book Fund	1,080	1,809	1,327	1,562
Jar Donations	115	393	-	508
Aflac	-	1,013	844	169
Tree Plaque	-	700	-	700
Pamada Foundation	-	250	250	-
Totals	<u>\$ 1,557,597</u>	<u>\$ 1,535,116</u>	<u>\$ 1,501,127</u>	<u>\$ 1,591,586</u>

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

PIKE COUNTY PUBLIC 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
Rainy Day	\$ 21,000	\$ -	\$ 21,000	\$ -
Levy Excess	6,898	154	7,052	-
Library Improvement Reserve	917,611	5,652	663,485	259,778
Mother Goose Fund	-	1,316	1,316	-
Library Preschool Fund	-	1,460	734	726
Operating Fund	368,229	573,287	704,353	237,163
Brick Donations	6,650	23,309	16,091	13,868
Building Fund	100	-	-	100
Perf	266	1,007	1,040	233
Payroll Withholding-Federal	-	21,334	21,334	-
Payroll Withholding-State	-	9,504	9,504	-
Payroll Withholding-Local Tax	-	1,517	1,517	-
Payroll Withholding-Medicare	-	15,118	15,118	-
Gift Fund	249,448	251,274	499,448	1,274
Friends Summer Fund	200	1,645	1,540	305
Genealogy Gift Fund	826	1,048	607	1,267
Nichols Fund	5,796	36	-	5,832
Boonshot Fund	11,623	73	-	11,696
Tweens Book Fund	1,562	-	1,236	326
Jar Donations	508	1,848	1,451	905
Aflac	169	4,117	4,141	145
Tree Plaque	700	2,109	2,105	704
Totals	<u>\$ 1,591,586</u>	<u>\$ 915,808</u>	<u>\$ 1,973,072</u>	<u>\$ 534,322</u>

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

PIKE COUNTY 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 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

PIKE COUNTY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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).

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.

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.

PIKE COUNTY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 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.

PIKE COUNTY PUBLIC 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/.

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 approved by management of the Library. It is presented as intended by the Library.

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

	Operating Fund	Brick Donations	Rainy Day	Levy Excess	Building Fund	Library Improvement Reserve	Capitol Projects
Cash and investments - beginning	\$ 436,336	\$ -	\$ -	\$ 5,872	\$ 1,000	\$ 850,945	\$ -
Receipts:							
Taxes	495,993	-	60,000	-	-	-	-
Licenses and permits	15,646	-	-	-	-	-	-
Intergovernmental	21,568	-	-	-	-	54,374	-
Charges for services	2,678	-	-	-	-	-	-
Fines and forfeits	7,455	-	-	-	-	-	-
Other receipts	306,486	6,650	-	1,026	100	12,292	-
Total receipts	<u>849,826</u>	<u>6,650</u>	<u>60,000</u>	<u>1,026</u>	<u>100</u>	<u>66,666</u>	<u>-</u>
Disbursements:							
Personal services	300,475	-	39,000	-	1,000	-	-
Supplies	12,900	-	-	-	-	-	-
Other services and charges	118,882	-	-	-	-	-	-
Capital outlay	98,983	-	-	-	-	-	-
Other disbursements	386,693	-	-	-	-	-	-
Total disbursements	<u>917,933</u>	<u>-</u>	<u>39,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(68,107)</u>	<u>6,650</u>	<u>21,000</u>	<u>1,026</u>	<u>(900)</u>	<u>66,666</u>	<u>-</u>
Cash and investments - ending	<u>\$ 368,229</u>	<u>\$ 6,650</u>	<u>\$ 21,000</u>	<u>\$ 6,898</u>	<u>\$ 100</u>	<u>\$ 917,611</u>	<u>\$ -</u>

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

	Perf	Payroll Withholding-Federal	Payroll Withholding-State	Payroll Withholding-Local Tax	Plac Card	Payroll Withholding-Medicare	Gift Fund
Cash and investments - beginning	\$ 295	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,097
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	1,459	13,370	9,571	1,539	-	20,972	494,382
Total receipts	1,459	13,370	9,571	1,539	-	20,972	494,382
Disbursements:							
Personal services	1,488	13,370	9,571	1,539	-	20,972	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	264,031
Total disbursements	1,488	13,370	9,571	1,539	-	20,972	264,031
Excess (deficiency) of receipts over disbursements	(29)	-	-	-	-	-	230,351
Cash and investments - ending	\$ 266	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 249,448

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

	Friends Summer Fund	Karl Schafer Fund	Genealogy Gift Fund	Wilson Fund	Nichols Fund	Boonshot Fund	Barrett Fund
Cash and investments - beginning	\$ 246	\$ 100	\$ 452	\$ 175,528	\$ 5,714	\$ 11,460	\$ 48,871
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	250	-	1,686	2,505	82	163	697
Total receipts	<u>250</u>	<u>-</u>	<u>1,686</u>	<u>2,505</u>	<u>82</u>	<u>163</u>	<u>697</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	296	-	1,312	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	100	-	178,033	-	-	49,568
Total disbursements	<u>296</u>	<u>100</u>	<u>1,312</u>	<u>178,033</u>	<u>-</u>	<u>-</u>	<u>49,568</u>
Excess (deficiency) of receipts over disbursements	<u>(46)</u>	<u>(100)</u>	<u>374</u>	<u>(175,528)</u>	<u>82</u>	<u>163</u>	<u>(48,871)</u>
Cash and investments - ending	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 826</u>	<u>\$ -</u>	<u>\$ 5,796</u>	<u>\$ 11,623</u>	<u>\$ -</u>

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

	Hall Fund	Tweens Book Fund	Jar Donations	Aflac	Tree Plaque	Pamada Foundation	Totals
Cash and investments - beginning	\$ 486	\$ 1,080	\$ 115	\$ -	\$ -	\$ -	\$ 1,557,597
Receipts:							
Taxes	-	-	-	-	-	-	555,993
Licenses and permits	-	-	-	-	-	-	15,646
Intergovernmental	-	-	-	-	-	-	75,942
Charges for services	-	-	-	-	-	-	2,678
Fines and forfeits	-	-	-	-	-	-	7,455
Other receipts	7	1,809	393	1,013	700	250	877,402
Total receipts	7	1,809	393	1,013	700	250	1,535,116
Disbursements:							
Personal services	-	-	-	-	-	-	387,415
Supplies	-	-	-	-	-	-	12,900
Other services and charges	-	-	-	-	-	-	120,490
Capital outlay	-	1,327	-	-	-	-	100,310
Other disbursements	493	-	-	844	-	250	880,012
Total disbursements	493	1,327	-	844	-	250	1,501,127
Excess (deficiency) of receipts over disbursements	(486)	482	393	169	700	-	33,989
Cash and investments - ending	\$ -	\$ 1,562	\$ 508	\$ 169	\$ 700	\$ -	\$ 1,591,586

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

	Rainy Day	Levy Excess	Library Improvement Reserve	Mother Goose Fund	Library Preschool Fund	Operating Fund	Brick Donations	Building Fund
Cash and investments - beginning	\$ 21,000	\$ 6,898	\$ 917,611	\$ -	\$ -	\$ 368,229	\$ 6,650	\$ 100
Receipts:								
Taxes	-	-	-	-	-	498,958	-	-
Intergovernmental	-	154	-	-	-	29,475	-	-
Charges for services	-	-	-	-	-	8,153	-	-
Other receipts	-	-	5,652	1,316	1,460	36,701	23,309	-
Total receipts	-	154	5,652	1,316	1,460	573,287	23,309	-
Disbursements:								
Personal services	-	-	-	-	-	294,930	-	-
Supplies	-	-	-	1,316	734	13,649	-	-
Other services and charges	-	-	-	-	-	81,958	-	-
Capital outlay	21,000	-	663,485	-	-	313,816	16,091	-
Other disbursements	-	7,052	-	-	-	-	-	-
Total disbursements	21,000	7,052	663,485	1,316	734	704,353	16,091	-
Excess (deficiency) of receipts over disbursements	(21,000)	(6,898)	(657,833)	-	726	(131,066)	7,218	-
Cash and investments - ending	\$ -	\$ -	\$ 259,778	\$ -	\$ 726	\$ 237,163	\$ 13,868	\$ 100

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

	Perf	Payroll Withholding-Federal	Payroll Withholding-State	Payroll Withholding-Local Tax	Payroll Withholding-Medicare	Gift Fund	Friends Summer Fund	Genealogy Gift Fund
Cash and investments - beginning	\$ 266	\$ -	\$ -	\$ -	\$ -	\$ 249,448	\$ 200	\$ 826
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Other receipts	1,007	21,334	9,504	1,517	15,118	251,274	1,645	1,048
Total receipts	1,007	21,334	9,504	1,517	15,118	251,274	1,645	1,048
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	499,448	1,540	607
Other disbursements	1,040	21,334	9,504	1,517	15,118	-	-	-
Total disbursements	1,040	21,334	9,504	1,517	15,118	499,448	1,540	607
Excess (deficiency) of receipts over disbursements	(33)	-	-	-	-	(248,174)	105	441
Cash and investments - ending	\$ 233	\$ -	\$ -	\$ -	\$ -	\$ 1,274	\$ 305	\$ 1,267

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

	Nichols Fund	Boonshot Fund	Tweens Book Fund	Jar Donations	Aflac	Tree Plaque	Totals
Cash and investments - beginning	\$ 5,796	\$ 11,623	\$ 1,562	\$ 508	\$ 169	\$ 700	\$ 1,591,586
Receipts:							
Taxes	-	-	-	-	-	-	498,958
Intergovernmental	-	-	-	-	-	-	29,629
Charges for services	-	-	-	-	-	-	8,153
Other receipts	36	73	-	1,848	4,117	2,109	379,068
Total receipts	36	73	-	1,848	4,117	2,109	915,808
Disbursements:							
Personal services	-	-	-	-	-	-	294,930
Supplies	-	-	-	-	-	-	15,699
Other services and charges	-	-	-	-	-	-	81,958
Capital outlay	-	-	1,236	1,451	-	2,105	1,520,779
Other disbursements	-	-	-	-	4,141	-	59,706
Total disbursements	-	-	1,236	1,451	4,141	2,105	1,973,072
Excess (deficiency) of receipts over disbursements	36	73	(1,236)	397	(24)	4	(1,057,264)
Cash and investments - ending	\$ 5,832	\$ 11,696	\$ 326	\$ 905	\$ 145	\$ 704	\$ 534,322

PIKE COUNTY PUBLIC LIBRARY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 253,698</u>	<u>\$ 204,533</u>

PIKE COUNTY PUBLIC LIBRARY
 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.

	Ending Balance
Governmental activities:	
Buildings	\$ 1,677,484
Improvements other than buildings	225,866
Machinery, equipment and vehicles	4,000
Construction in progress	77,562
Books and other	98,619
Total governmental activities	2,083,531
Total capital assets	\$ 2,083,531

PIKE COUNTY PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

A list of employees was submitted on May 16, 2011, to the County Treasurer.

No lists were submitted in 2010 or as of June of 2012 by the library.

A similar comment appeared in prior reports.

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."

ERRORS ON CLAIMS

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

1. Sales tax was paid on reimbursements.
2. Claims were not adequately itemized.
3. All claims did not have board approval.
4. One claim tested for mileage was not prepared on Form 101 and two claims for mileage that were prepared on Form 101 did not include the odometer readings. Two claims tested had the same trip listed. As a result the employee was reimbursed twice.

A similar comment appeared in the prior examination report.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;

PIKE COUNTY PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

SUPPORTING DOCUMENTATION

Two payments were observed which were not supported by adequate documentation, such as receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

These two payments, in the amount of \$350 and \$455, were disbursed to employees for the purchase of prizes for summer reading programs.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

CONTRACTS

Payments were paid to individuals for mowing, snow removal, and computer service technology 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)

A similar comment appeared in the prior reports.

PIKE COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on July 3, 2012, with Ginger Rogers, Director, and Thomas E. Behme, Bookkeeper. The officials concurred with our findings.