

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

EXAMINATION REPORT

OF

MATTHEWS PUBLIC LIBRARY

GRANT COUNTY, INDIANA

January 1, 2005 to December 31, 2006



**FILED**  
12/31/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Barbara Plasterer	01-01-05 to 12-31-07
Treasurer	Shirley Biggs	01-01-05 to 12-31-07
President of the Board	Paula Holdcroft	01-01-05 to 12-31-07



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE MATTHEWS PUBLIC LIBRARY, GRANT COUNTY, INDIANA

We have examined the financial information presented herein of the Matthews Public Library (Library), for the period of January 1, 2005 to December 31, 2006. The Library's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Library for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

November 28, 2007

MATTHEWS PUBLIC LIBRARY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Fund: Operating	\$ 7,315	\$ 12,338	\$ 6,423	\$ 13,230
Fiduciary Fund: PLAC	-	56	56	-
Totals	<u>\$ 7,315</u>	<u>\$ 12,394</u>	<u>\$ 6,479</u>	<u>\$ 13,230</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Fund: Operating	\$ 13,230	\$ 8,799	\$ 7,215	\$ 14,814
Fiduciary Fund: PLAC	-	31	31	-
Totals	<u>\$ 13,230</u>	<u>\$ 8,830</u>	<u>\$ 7,246</u>	<u>\$ 14,814</u>

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

MATTHEWS PUBLIC LIBRARY  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

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

Note 2. Fund Accounting

The Library uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Library in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Library on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Library to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

MATTHEWS PUBLIC LIBRARY  
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The Treasurer's official bond was not filed in the Office of the County Recorder. A similar comment appeared in prior Report B25654.

Indiana Code 36-12-2-22(g) states:

"The treasurer shall give a surety bond for the faithful performance of the treasurer's duty and for the accurate accounting of all money coming into the treasurer's custody. The bond must be:

- (1) written by an insurance company licensed to do business in Indiana;
- (2) for the term of office of the treasurer;
- (3) in an amount determined by the library board;
- (4) paid for with the money from the library fund;
- (5) payable to the state of Indiana;
- (6) approved by the library board; and
- (7) deposited in the office of the recorder of the county in which the library district is located."

DEPOSITS

County Option Income Tax (COIT) checks received from the County for August through October 2006 were deposited in November of 2006. Also, fines and fees were not deposited in a timely manner.

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."

MATTHEWS PUBLIC LIBRARY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

DOCUMENTATION ON CLAIMS

The Director purchased books through a book club for personal use and then sold some of the books to the Library. No documentation was included on the claim for reimbursement other than the Director's name, notations that books were purchased and a handwritten dollar amount. These claims did not include evidence to support that the books were received by the Library.

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;
- (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."

MATTHEWS PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on November 28, 2007, with Shirley Biggs, Treasurer. The official concurred with the findings.