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**RAYMOND LIBRARY SYSTEM
Lafayette, Louisiana**

**General Purpose Financial Statements
As of and for the Two Years
Ended December 31, 1990**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewer, and is available to the public. The report is available for public inspection at the Baton Rouge office of the Louisiana Auditor and, upon request, at the office of the parish clerk of court.

Release Date: ~~11-2-1990~~

BAYOULAND LIBRARY SYSTEM
Lafayette, Louisiana
Notes to the Financial Statements (Continued)

I. COMPENSATED ABSENCES

Library system employees earn vacation leave at varying rates of 80 to 180 hours each year, depending on the number of hours worked and their length of service. An employee may accumulate vacation leave to a maximum amount of 264 hours. Upon termination of employment, an employee who has 6 months of continuous service may be paid for accumulated vacation leave at the employee's current rate of pay. All permanent employees earn sick leave of 96 hours each year that may be accumulated to a maximum of 560 hours. Employees are not paid for accumulated sick leave upon termination or retirement.

The cost of current leave privileges, computed in accordance with GASB Statement No. 14 is recognized as a current-year expenditure in the General Fund when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

J. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from the General Fund are reported in the general long-term obligations account group, not in the General Fund.

K. FUND EQUITY

Reserves

Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

L. TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. CASH

At December 31, 1996, the library system has cash (bank balances) totaling \$65,478, which is in an interest bearing demand deposit account.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance as the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 1996, the system has \$65,478 in deposits collected bank balances that are fully secured from risk by federal deposit insurance.

RAYOULAND LIBRARY SYSTEM
Lafayette, Louisiana
Notes to the Financial Statements (Continued)

I. BUDGETS

The budget is prepared by the library system director and the budget committee. The budgets for the 1996 and 1995 fiscal years were submitted to the executive council for approval on August 7, 1995 and July 18, 1994, respectively. The proposed budgets were legally adopted on those dates. The budget is prepared on the modified accrual basis of accounting with revenues based on predetermined contributions from member libraries and other anticipated revenues, while expenditures are based on prior-year amounts and other anticipated expenditures.

The library system does not use encumbrance accounting and all appropriations lapse at the end of the fiscal year. The proposed budgets are legally adopted and amended by formal resolution of the executive council. As reflected on Statement B, all amendments are included in the budgets for the two years ended December 31, 1996.

Formal budget integration (within the accounting records) is employed as a management-control device during the year. Monthly budget comparisons are distributed to all directors of the member libraries.

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration in order to insure that applicable appropriations are not exceeded and, at fiscal year end, material purchase orders outstanding are recorded as a reservation of fund balance in the General Fund.

G. CASH

Cash includes the amount in an interest-bearing demand deposit account. Under state law, the library system may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

II. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

HAYSBLAND LIBRARY SYSTEM
Lafayette, Louisiana
Notes to the Financial Statements (Continued)

C. FUND ACCOUNTING

The library system uses a fund (General Fund) and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the fund because they do not directly affect net expendable available financial resources.

The General Fund of the library system is classified as a governmental fund. It is the general operating fund of the library system and accounts for all financial activities.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied in a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Contributions from the various member libraries are recorded in the year they become due.

Interest earned on interest-bearing accounts is recorded when the interest is available.

Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when earned.

Operating supplies are recorded as expenditures in the accounting period the obligations are incurred.

Compensated absences are recognized as expenditures when leave is actually taken or when employees are paid for accrued leave upon termination, while the cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

BOYDOLAND LIBRARY SYSTEM

Lafayette, Louisiana

Notes to the Financial Statements

As of and for the Two Years Ended December 31, 1996

INTRODUCTION

The Boydoland Library System was established as a cooperative system in 1994 under the provisions of Louisiana Revised Statute 50:1304 by the police juries of Acadia, Evangeline, Iberia, Lafayette, Lafourche, St. Martin, St. Mary, Terrebonne, and Vermilion Parishes and the boards of education of the cities of Thibodaux and Iberville. The university libraries of Louisiana State University at Eunice, Nicholls State University, and the University of Southwestern Louisiana are also members of the library system. In 1994, Allen Parish Library joined the library system followed by Jefferson Davis Parish Library in 1995. In 1995, Southern Technical College was accepted as a full member under a new category, private colleges or special libraries; however, Southern Technical College withdrew from membership effective January 1, 1996. Terrebonne Parish withdrew in 1994.

The library system is funded by the member libraries, other than the university libraries. A portion of the funding is based on the member libraries' budgets, population, and usage while the other portion is divided equally among the member libraries. The major goal of the Boydoland Library System is to provide materials and services that will assist the member libraries in fulfilling their goal of offering the best possible service to library patrons in their respective communities. This includes interlibrary loan, reference, and reader services; continuing education (workshops) and cooperative purchases. The library system is governed by an executive council composed of one representative from each member library. One representative is the director or head librarian, and the other representative is either a member of the library board of control or a university representative. The members of the executive council serve without pay. The Lafayette Parish Library serves as the administrative center and collection point for the library system.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Boydoland Library System have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

Section 210 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the executive council members are appointed by the participating governmental units that created the library system and are solely accountable for fiscal matters, which include (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, and (3) fiscal management for controlling the collection and disbursement of funds, and because of the scope of public services provided by the library system, the library system is considered a joint venture of the participating governmental units and, therefore, least general purpose financial statements separate from those of the participants and their governmental components. The library system accounts for all funds, account groups, activities, or entities that are within the oversight responsibility of the library system.

BAYOU LAND LIBRARY SYSTEM
Lafayette, Louisiana
GOVERNMENTAL TYPE-GENERAL FUND

Statement of Revenues, Expenditures
and Changes in Fund Balance—
Budget (GAAP Basis) and Actual
For the Two Years Ended December 31, 1994

	December 31, 1993		Variance Favorable (Dis- Favorable)	December 31, 1994		Variance Favorable (Dis- Favorable)
	Budget	Actual		Budget	Actual	
REVENUES						
Membership contributions	\$73,767	\$73,767	\$ -	\$73,767	\$73,767	\$ -
Miscellaneous	-	413	413	-	594	594
Use of money and property						
Interest earnings	2,489	2,489	-	2,788	2,784	304
Sale of Property	-	-	-	-	2,598	2,598
Co-Op Refunds	-	8,289	8,289	-	8,123	8,123
Total revenues	76,256	85,358	9,102	86,555	88,218	11,663
EXPENDITURES						
Culture and recreation library:						
Personal services and related benefits	64,865	64,841	24	64,281	63,879	482
Professional services	751	752	-	2,873	2,852	21
Operating services	2,779	2,734	45	2,775	2,403	348
Materials and supplies	268	268	-	518	318	198
Travel and other charges	729	838	109	-	899	(899)
Capital outlay	-	-	-	15,424	15,424	-
Vehicle expenditures	4,348	4,487	139	3,346	4,355	965
Co-Op purchases	-	8,218	8,218	-	8,215	8,215
Total expenditures	74,769	81,168	6,403	86,518	87,077	6,559
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,487	4,190	2,603	(4,441)	(9,259)	4,184
FUND BALANCE AT BEGINNING OF YEAR	38,583	46,896	8,313	34,138	55,193	21,055
FUND BALANCE AT END OF YEAR	40,070	51,086	11,016	29,697	45,934	16,237

See Accountants' Report and Notes to Financial Statements

BAYHULAND LIBRARY SYSTEM
 Lafayette, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

BALANCE SHEET, DECEMBER 31, 1996

	Governmental Fund - General Fund	ACCOUNT GROUPS		Total (Miscellaneous Debt)
		General Fund Assets	General Long-Term Liabilities	
ASSETS AND OTHER DEBITS				
Assets:				
Cash	\$ 61,479			\$ 61,479
Receivable	336			336
Equipment, furniture and vehicle		34,943		34,943
Other debit-investment to be provided for compensated absences	—	—	2,875	2,875
Total Assets and Other Debits	\$ 62,795	\$ 35,943	\$ 2,875	\$ 101,613
LIABILITIES, EQUITY, AND OTHER CREDITS				
Liabilities:				
Accounts and salaries payable	\$ 15,451			\$ 15,451
Compensated absences payable			2,875	2,875
Total Liabilities	15,451	—	2,875	17,326
Equity and Other Credits:				
Investment in general fund assets		34,943		34,943
Fund balance:				
Unreserved:				
Designated	37,698			37,698
Undesignated	13,345			13,345
Total Equity and Other Credits	\$ 58,543	\$ 35,943	\$ —	\$ 94,486
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 60,795	\$ 35,943	\$ 2,875	\$ 101,613

BAYOULAND LIBRARY SYSTEM
Lafayette, Louisiana

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BAVUOLAND LIBRARY SYSTEM

Lafayette, Louisiana

Notes to the Financial Statements (Continued)

Under Plan A, employees who retire at or after age 58 with at least 18 years of creditable service, or at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one per cent of final-average salary plus \$18 for each year of supplemental-plan-only service earned prior to January 1, 1980. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parished Employees' Retirement System, Post Office Box 34418, Baton Rouge, Louisiana 70898-0418, or by calling (504) 335-1561.

Funding Policy. Under Plan A, members are required by the statute to contribute 7.5 percent of their annual covered salary and the library is required to contribute at an actuarially determined rate. The current rate is 7.25 percent of annual covered payroll. Contributions to the system also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately of the salaries of the active members of each plan. The contribution requirements of plan members and the library are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The library's contributions to the System under Plan A for the years ending December 31, 1976, and 1979 were \$2,822, and \$4,126, respectively, equal to the required contributions for each year.

RAYOULAND LIBRARY SYSTEM

Baton Rouge, Louisiana

Notes to the Financial Statements (Continued)

6. POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Rayouland Library System does not provide continuing health care and life insurance benefits for its retired employees.

7. COMPENSATED ABSENCES

At December 31, 1996, employees of the library system have accumulated and vested \$2,079 of employee leave benefits, which was computed in accordance with GASB Codification Section 140. This amount is recorded within the general long-term obligations account group.

8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

A summary of changes in general long-term obligations, which consist of compensated absences, follows:

Balance at January 1, 1994	\$ 1,400
1994:	
Additions	4,379
Deletions	<u>4,110</u>
Balance at December 31, 1994	1,669
1995:	
Additions	4,193
Deletions	<u>2,824</u>
Balance at December 31, 1995	<u>2,938</u>

RAYOULAND LIBRARY SYSTEM

Lafayette, Louisiana

Notes to the Financial Statements (Continued)

9. DESIGNATED FUND BALANCES

The executive council has designated fund balances at December 31, 1996 as follows:

Contingency/Unemployment	\$22,000
Purchase of Vans	4,000
	\$26,000

10. EXPENDITURES OF THE LIBRARY SYSTEM NOT INCLUDED IN THE FINANCIAL STATEMENTS

Certain operating expenditures of the library system are paid directly by the Lafayette Parish Library as acting head of the library system. These expenditures, which include janitorial services, utilities, and other fees, are not included in the accompanying financial statements.

11. LITIGATION AND CLAIMS

There is no litigation pending against the library system at December 31, 1996.

ATTestation Report

Executive Council
Bayouland Library System
Baton Rouge, Louisiana

We have examined management's assertion, included in its representation letter dated January 31, 1997, that the Bayouland Library System complied with the code of ethics for public officials and public employees, state laws relating to budgeting, accounting and reporting, savings, debt, and payments during the year ended December 31, 1996. As disclosed in that representation letter, management is responsible for the library's compliance with these requirements. Our responsibility is to express an opinion on management's assertion about the library's compliance based on our examination.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and accordingly, included examining on a test basis, evidence about the Bayouland Library System's compliance with these requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the library's compliance with specified requirements.

In our opinion, management's assertion, that the Bayouland Library System complied with the aforementioned requirements for the year ended December 31, 1996, is fairly stated, in all material respects.

This report is intended for the information of management. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Veilhan, Vign & Toujague
April 22, 1997

**EXECUTIVE COUNCIL
BAYOULAND LIBRARY SYSTEM
Lafayette, Louisiana**

We have compiled the accompanying combined balance sheet of the Bayouland Library System as of December 31, 1996, and the related statements of Revenues, Expenditures and Changes in Fund Balance for the two years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Talbot, Vign & Vajjagari
April 22, 1997