



# Bookkeeping and Accounting

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# Is there a difference?

## ▶ Bookkeepers

- Maintain copies of invoices/receipts
- Copies of checks and bank statements
- Record dates and amounts of transactions
- Expenses and loss transactions

## ▶ Accountants

- Report economic activity
  - Measure, record, interpret and communicate
- Prepare financial statements
- Summarizes the day-to day activities recorded by bookkeeper



# Two Methods

- ▶ **Cash**
  - Transactions occur when cash exchanged
- ▶ **Accrual**
  - Reports income when earned and expenses when incurred



# Accounts Payable Voucher Library Form No. 4

- ▶ Process funds due to vendors
- ▶ Supported by itemized invoice
- ▶ Presented to library board for allowance

## Issue Warrants

### Library Form No. 2

- ▶ Signed by treasurer of library board
- ▶ Filed numerically
- ▶ Maintained with applicable accounts payable voucher

# Daily Record of Desk Collections Library Form No. 3



Prescribed by State Board of Accounts-1966

PUBLIC LIBRARY  
Daily Record of Desk Collections

LIBRARY FORM NO. 3

						MONTH OF			
DATE	BALANCE BEGINNING OF DAY	RECEIPTS						BALANCE END OF DAY	
		FINES-FEES	RENTALS	OTHER	DEPOSITS				
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									

# Daily Record of Desk Collections



- ▶ Balance beginning of day including cash change fund
- ▶ Cash Change Fund in accordance with IC 36-1-8-2
- ▶ Receipts deposited daily IC 5-13-6-1
- ▶ Receipts posted to Financial Appropriation Record each time deposit made



# Ledger and Journal



- ▶ Contains the transactions of all the funds
- ▶ Cash receipt journal and Cash disbursements journal
  - Detail activity of most active accounts

# Library Financial and Appropriation Record Library Form No. 1



- ▶ Handout
  - Total of All Funds
  - Breakout
    - Operating
    - LIRF
    - Investments
- ▶ Totaled and balanced at the end of each page and a new ledger sheet should be opened at the beginning of each month.





# Financial Statements



- ▶ Statement of activities
  - Each month balance books: statement of revenue, expenses and changes in fund balances
- ▶ Cash flow statement: resembles monthly household budget
  - Surplus
  - Break even
  - Digging financial deficit hole

2015										
	Operating Fund	Rainy Day Fund	State Technology Grant Fund	LIRF	Evergreen Pass Through	Petty Cash	Gift	Bond & Interest	Construction	Totals
<b>Cash &amp; Investments</b>										
<b>Beginning</b>	\$315,073	-	-	\$317,377	\$82	\$170	\$3,964	\$11,709	\$23,705	\$672,080
<b>Receipts:</b>										
<b>Taxes</b>	\$473,401	-	-	-	-	-	-	\$243,266	-	\$716,667
<b>Intergovernmental receipts</b>	\$94,543	-	-	-	-	-	-	\$20,970	-	\$115,513
<b>Charges for Services</b>	\$5,585	-	\$12,898	-	-	-	\$5	-	-	\$18,488
<b>Fines &amp; Forfeits</b>	\$3,261	-	-	-	\$384	-	-	-	-	\$3,645
<b>Other</b>	\$4,256	-	-	\$1,227	-	-	\$8,707	\$96	\$24	\$14,310
<b>Total Receipts</b>	<b>\$581,046</b>		<b>\$12,898</b>	<b>\$1,227</b>	<b>\$384</b>		<b>\$8,712</b>	<b>\$264,332</b>	<b>\$24</b>	<b>\$868,623</b>
<b>Disbursements</b>										
<b>Personal services</b>	\$210,593	-	-	-	-	-	-	-	-	\$210,593
<b>Supplies</b>	\$9,415	-	-	-	-	-	\$2,969	-	-	\$12,384
<b>Other services &amp; Charges</b>	\$112,572	-	\$6,447	-	\$285	-	\$3,764	\$750	-	\$123,818
<b>Debt service</b>										
<b>Principle &amp; Interest</b>		-	-	-	-	-	-	\$182,008	-	\$182,008
<b>Capital Outlay</b>	\$86,621	-	-	-	-	-	\$1,572	-	-	\$88,193
<b>Total Disbursements</b>	<b>\$419,201</b>		<b>\$6,447</b>	<b>\$1,227</b>	<b>\$285</b>		<b>\$8,305</b>	<b>\$182,758</b>		<b>\$616,996</b>
<b>Excess of receipts over disbursements</b>	<b>\$161,845</b>		<b>\$6,451</b>	<b>\$318,604</b>	<b>\$99</b>		<b>\$407</b>	<b>\$81,574</b>	<b>\$24</b>	<b>\$251,627</b>
<b>Cash and Investments Ending</b>	<b>\$476,918</b>		<b>\$6,451</b>	<b>\$318,604</b>	<b>\$181</b>	<b>170</b>	<b>\$4,371</b>	<b>\$93,283</b>	<b>\$23,729</b>	<b>\$923,707</b>

## Audit Report Financial Statement 2015

Combining Schedule of Receipts,  
Disbursements, and Cash and  
Investment Balances

2016										
	Operating Fund	Rainy Day Fund	State Technology Grant Fund	LIRF	Evergreen Pass Through	Petty Cash	Gift	Bond & Interest	Construction	Totals
<b>Cash &amp; Investments</b>										
<b>Beginning</b>	\$476,918	-	\$6,451	\$318,604	\$181	\$170	\$4,371	\$93,283	\$23,729	<b>\$923,707</b>
<b>Receipts:</b>										
<b>Taxes</b>	\$322,648	\$16,272	-	-	-	-	-	\$170,330	-	<b>\$509,250</b>
<b>Intergovernmental receipts</b>	\$74,982	-	-	-	-	-	-	\$15,065	-	<b>\$90,047</b>
<b>Charges for Services</b>	\$5,878	-	-	-	-	-	-	-	-	<b>\$5,878</b>
<b>Fines &amp; Forfeits</b>	\$3,421	-	-	-	\$231	-	-	-	-	<b>\$3,652</b>
<b>Other</b>	\$35,468	\$10	-	\$5,640	-	-	\$9,262	\$100	-	<b>\$50,480</b>
<b>Total Receipts</b>	<b>\$442,397</b>	<b>\$16,282</b>	<b>\$6,451</b>	<b>\$5,640</b>	<b>\$231</b>		<b>\$9,262</b>	<b>\$185,495</b>	<b>\$0</b>	<b>\$659,307</b>
<b>Disbursements</b>										
<b>Personal services</b>	\$224,423	-	-	-	-	-	-	-	-	<b>\$224,423</b>
<b>Supplies</b>	\$10,422	-	-	-	-	-	\$4,272	-	-	<b>\$14,694</b>
<b>Other services &amp; Charges</b>	\$168,510	-	\$6,451	-	\$231	-	\$1,500	\$750	-	<b>\$177,442</b>
<b>Debt service</b>										
<b>Principle &amp; Interest</b>	-	-	-	-	-	-	-	\$184,369	-	<b>\$184,369</b>
<b>Capital Outlay</b>	\$94,410	-	-	-	-	-	\$806	-	-	<b>\$95,216</b>
<b>Other Disbursements</b>	-	-	-	-	-	-	-	-	\$23,729	<b>\$23,729</b>
<b>Total Disbursement:</b>	<b>\$497,765</b>	<b>-</b>	<b>\$6,451</b>	<b>-</b>	<b>\$231</b>	<b>-</b>	<b>\$6,578</b>	<b>\$185,119</b>	<b>\$23,729</b>	<b>\$719,873</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-\$55,368</b>	<b>\$16,282</b>	<b>-\$6,451</b>	<b>\$5,640</b>	<b>-</b>	<b>-</b>	<b>\$2,684</b>	<b>\$376</b>	<b>-\$23,729</b>	<b>-\$60,566</b>
<b>Cash and Investments - Ending</b>	<b>\$421,550</b>	<b>\$16,282</b>	<b>-</b>	<b>\$324,244</b>	<b>\$181</b>	<b>\$170</b>	<b>\$7,055</b>	<b>\$93,659</b>	<b>-</b>	<b>\$863,141</b>

## Audit Report Financial Statement 2016

Combining Schedule of Receipts,  
Disbursements, and Cash and  
Investment Balances

Report Date: From 1/1/17 To 12/31/17

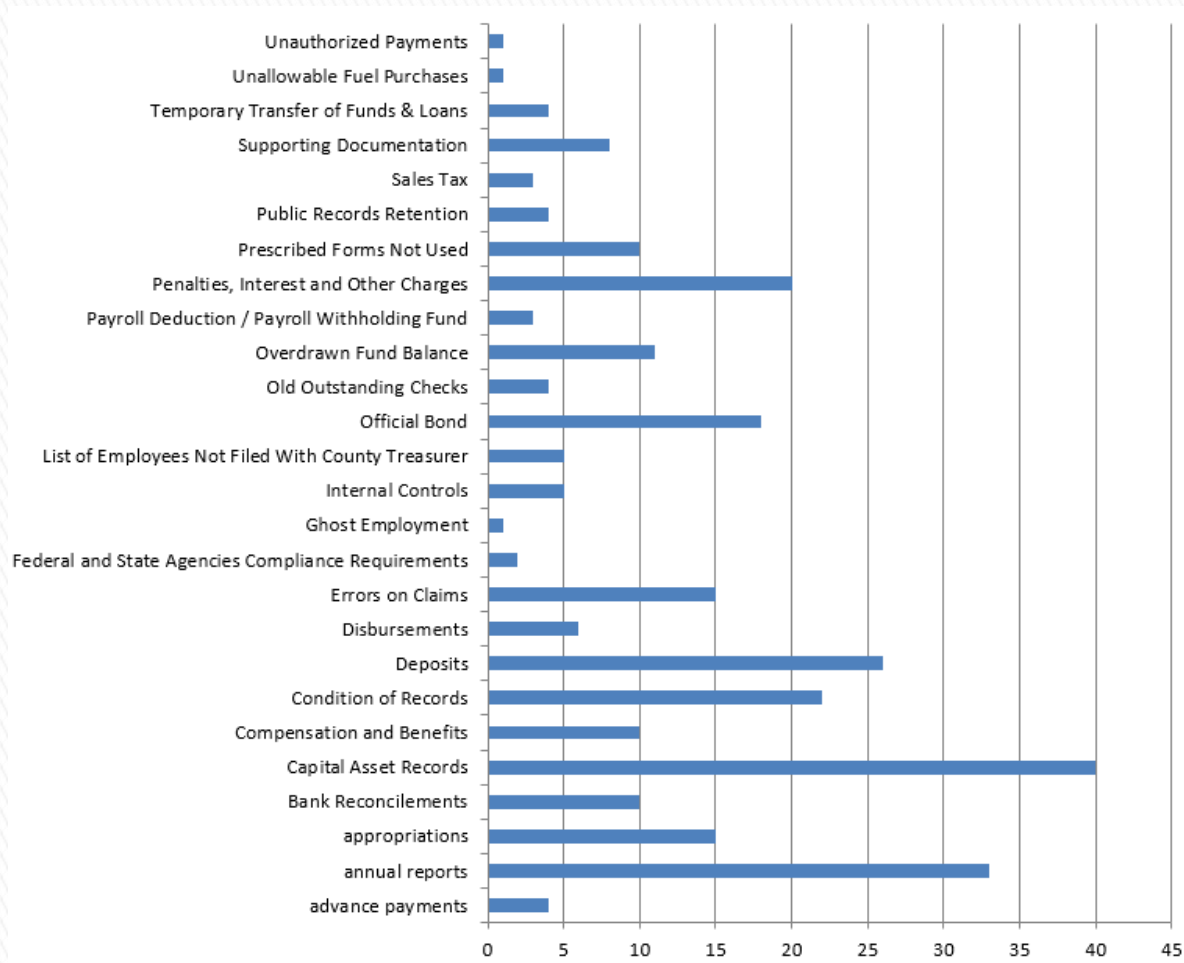
<i>Account # Description</i>	<i>Annual Appropriation</i>	<i>Change to Appropriation</i>	<i>Current Appropriation</i>	<i>Disbursements This Month</i>	<i>Disbursements YTD</i>	<i>Disbursements Last YTD</i>	<i>Balance</i>	<i>Percent</i>
<i>1. Personal Services</i>								
1.11 SALARY OF LIBRARIAN	\$31,518.00	\$1,000.00	\$32,518.00	\$32,518.00	\$32,518.00	\$32,510.92	\$0.00	100.0
1.12 SALARY OF ASSISTANTS	\$50,750.00	\$2,000.00	\$52,750.00	\$49,724.52	\$49,724.52	\$39,330.13	\$3,025.48	94.3
1.13 WAGES OF JANITORS	\$6,830.00	(\$3,000.00)	\$3,830.00	\$2,254.32	\$2,254.32	\$2,138.12	\$1,575.68	58.9
1.15 EMPLOYEE BENEFITS	\$7,000.00	\$1,000.00	\$8,000.00	\$7,644.69	\$7,644.69	\$6,698.40	\$355.31	95.6
1.16 EMPLOYEE PERF	\$10,800.00	(\$2,000.00)	\$8,800.00	\$8,268.90	\$8,268.90	\$5,853.20	\$531.10	94.0
<b>Subtotal</b>	<i>\$106,898.00</i>	<i>(\$1,000.00)</i>	<i>\$105,898.00</i>	<i>\$100,410.43</i>	<i>\$100,410.43</i>	<i>\$86,530.77</i>	<i>\$5,487.57</i>	<i>94.8</i>
<i>2. Supplies</i>								
2.1 OFFICE SUPPLIES	\$3,000.00	\$2,000.00	\$5,000.00	\$3,085.99	\$3,085.99	\$1,912.40	\$1,914.01	61.7
2.2 OPERATING SUPPLIES	\$2,000.00	\$0.00	\$2,000.00	\$1,916.67	\$1,916.67	\$912.77	\$83.33	95.8
2.3 REPAIR & MAINTENANCE SUPPLIES	\$1,500.00	(\$1,000.00)	\$500.00	\$37.94	\$37.94	\$584.47	\$462.06	7.6
2.4 MISCELLANEOUS SUPPLIES (PROGRAMMING)	\$5,000.00	\$3,530.00	\$8,530.00	\$7,492.98	\$7,492.98	\$3,196.36	\$1,037.02	87.8
<b>Subtotal</b>	<i>\$11,500.00</i>	<i>\$4,530.00</i>	<i>\$16,030.00</i>	<i>\$12,533.58</i>	<i>\$12,533.58</i>	<i>\$6,606.00</i>	<i>\$3,496.42</i>	<i>78.2</i>

## Appropriation Report for Operating Fund

# Capital Assets General Form No. 369



- ▶ Threshold established by board
  - Suggest \$5,000
- ▶ Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded on the applicable Capital Asset
- ▶ 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.



# Audit Exceptions



# Bibliography



- ▶ “Fundamentals of Accounting,” in Financial management for small and medium-sized libraries by Madeline J. Daubert. Chicago: ALA, 1993, pp. 36–52.
- ▶ Governmental Accounting Made Easy by Warren Ruppel. Wiley, 2005.
- ▶ Nonprofit bookkeeping & Accounting for Dummies by Sharon Farris. eBook from library