

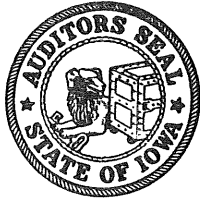
STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

AUDITORS' REPORT

JUNE 30, 1978

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STATE OF IOWA
OFFICE OF AUDITOR OF STATE
Des Moines

RICHARD D. JOHNSON
AUDITOR OF STATE

AUDITORS' REPORT

State Library Commission of Iowa
Medical Library
L o c a l


We have examined the balance sheet of the Medical Library as of June 30, 1978, and the related statement of revenues, expenditures and fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards and Chapter 11 of the Code of Iowa, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In accordance with policies generally followed by agencies of the State of Iowa, no allowance for depreciation has been provided for fixed assets. The cost value of fixed assets is recorded as a restricted fund balance. (See Note 1, Notes to Financial Statements.)

It was noted that the agency paid some 1978 fiscal year expenses with 1979 fiscal year funds. This has the effect of understating 1978 expenditures and overstating 1979 expenditures.

Due to the condition cited above, the accompanying balance sheet and the related statement of revenues, expenditures and fund balances do not present fairly the financial position of the Medical Library at June 30, 1978, and the results of its operations for the year then ended in conformity with generally accepted accounting principles applicable to governmental entities, applied on a basis consistent with that of the preceding year.

Schedules 1 and 2 are presented primarily for supplemental analysis purposes and are not considered necessary for a fair presentation of the financial condition of the Medical Library. These data, except Schedule 2, have been tested in connection with our examination of the balance sheet and the related statement and, in our opinion, are stated fairly in all material respects when considered in conjunction with the financial statements taken as a whole.


RICHARD D. JOHNSON, CPA
Auditor of State

Des Moines, Iowa
April 5, 1979

STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

Comparative Balance Sheet

June 30, 1978
 with comparative figures for 1977

	<u>1978</u>	<u>1977</u>	<u>Increase (Decrease)</u>
<u>Assets</u>			
Current assets:			
Unexpended appropriation	\$ <u>7,256.59</u>	<u>3,978.29</u>	<u>3,278.30</u>
Fixed assets: (Note 1)			
Furniture, fixtures and equipment	<u>36,830.28</u>	<u>13,933.71</u>	<u>22,896.57</u>
Total assets	\$ <u><u>44,086.87</u></u>	<u><u>17,912.00</u></u>	<u><u>26,174.87</u></u>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable	\$ 7,255.92	3,110.21	4,145.71
Reversion due State General Fund	.67	868.08	(867.41)
Total liabilities	<u>7,256.59</u>	<u>3,978.29</u>	<u>3,278.30</u>
Fund balances:			
Restricted for fixed assets	<u>36,830.28</u>	<u>13,933.71</u>	<u>22,896.57</u>
Total liabilities and fund balances	\$ <u><u>44,086.87</u></u>	<u><u>17,912.00</u></u>	<u><u>26,174.87</u></u>

See Notes to Financial Statements

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Statement of Revenues, Expens

Year ended Jun
with comparative f:

Revenues:

State appropriation - 67th General A
- salary adjustm
Disability insurance allotment
Copy fees
Refunds and reimbursements
Total revenues

Expenditures: (Note 2)

Salaries
Travel (Schedule 1)
Office supplies and expense
Books, periodicals and publications
Printing and binding
Telephone and telegraph
Equipment
Total expenditures

Revenues over (under) expenditures

Other fund balance changes:

Prior period adjustment to furniture
Furniture, fixtures and equipment
Equipment transfers
Reversion to State General Fund
Net fund balance change
Beginning fund balance July 1, 1977

Ending fund balance June 30, 1978

See Notes to Financial Statements

STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

Notes to Financial Statements

June 30, 1978

- (1) Fixed assets - In accordance with policies generally followed by governmental agencies, no provision is made for depreciation. The value of fixed assets is shown as a restricted fund balance. Certain fixed assets are shown at estimated or appraised value and some fixed assets have no appraised or established value. As a result, the figure in the balance sheet is understated for fixed assets.
- (2) Expenditures - The agency incurred some expenditures in fiscal year 1978 that were paid with fiscal year 1979 funds. A breakdown of the amounts are as follows:

Office supplies expense	\$ 274.05
Books, periodicals and publications	2,084.12
Telephone and telegraph	<u>260.43</u>
Total	\$ <u>2,618.60</u>

SUPPLEMENTAL DATA

STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

Schedule of Travel

Year ended June 30, 1978

<u>Payee</u>	<u>In-State</u>	<u>Out-of- State</u>	<u>Total</u>
Pamela Rees	\$ 57.88	307.43	365.31
Joy Averill	<u>9.50</u>	<u>-</u>	<u>9.50</u>
Total (Exhibit B)	\$ <u>67.38</u>	<u>307.43</u>	<u>374.81</u>

STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

Schedule of Personal Services

Year ended June 30, 1978

	<u>Full-time</u>		<u>Total</u>	
Employment June 30, 1977		<u>5</u>		<u>5</u>
Employment June 30, 1978		<u>5</u>		<u>5</u>
			<u>Average Per Full-time Employee</u>	
	<u>Days</u>	<u>Value</u>	<u>Days</u>	<u>Value</u>
Sick leave	<u>39.70</u>	\$ <u>1,544.15</u>	<u>7.94</u>	\$ <u>308.83</u>
Vacation	<u>103.05</u>	\$ <u>4,308.53</u>	<u>20.61</u>	\$ <u>861.71</u>

STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

Organization and Function

June 30, 1978

The Iowa State Medical Library was established as a department of the State Library in July, 1919, and became a separate library in the reorganization of State libraries by the Forty-eighth General Assembly in 1939.

The Sixty-fifth General Assembly reorganized the libraries under Chapter 199, created the library department by combining the Medical Library and the Law Library as follows:

"Library Commission. There is created a state library commission. The commission shall consist of the supreme court administrator, and four members appointed by the governor and serving four-year terms, one member of which shall be from the medical profession and three members selected at large, each based on their qualifications to serve as commission members. The appointed members of the commission shall be appointed for terms of one, two, three and four years and all subsequent appointments shall be for the full four-year term."

Chapter 199.6 reads as follows:

- "1. The medical library division shall be headed by a medical librarian, appointed by the state librarian with the approval of the state library commission, subject to the provisions of chapter nineteen A (19A) of the Code. The medical librarian shall:
 - a. Operate the medical library division which shall always be available for free use by the residents of Iowa under such reasonable rules as the commission may adopt.
 - b. Give no preference to any school of medicine and shall secure books, periodicals, and pamphlets for every legally recognized school without discrimination.
 - c. Perform such other duties as may be imposed by law or prescribed by the rules of the commission."

STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

Comments and Recommendations on Compliance and Performance

June 30, 1978

1. Charging Expenditures to Wrong Fiscal Year

Fiscal year 1978 expenditures in the amount of \$2,618.60 have been charged to fiscal year 1979. This results in the expenditures for fiscal year 1978 being understated and fiscal year 1979 being overstated.

Auditor's Recommendation

It is recommended that the agency maintain a close account of available funds and adjust its expenditures accordingly.

Auditee's Response

"Medical Library will maintain a close account of available funds and adjust its expenditures accordingly. The \$2,618.60 in FY 78 expenditures charged to FY 79 was part of the balance due for purchase of a Xerox 4000 II copier already in the possession of the Medical Library on a lease basis. The favorable purchase price offered by Xerox induced management to buy out of the lease agreement and so substantially reduce costs in future budget years."

Auditor's Conclusion

The agency should use acceptable methods to encumber funds or disburse funds in the appropriate budget year.

2. Paying Vacation Compensation Before It Was Accrued

An employee took a vacation and educational leave back to back. This resulted in the employee taking more vacation time off than the employee had accrued. The employee was paid her usual compensation for the period and vacation leave was deducted in subsequent periods. This procedure is not in accordance with State guidelines.

STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

Comments and Recommendations on Compliance and Performance

June 30, 1978

2. Paying Vacation Compensation Before It Was Accrued (continued)

Auditor's Recommendation

It is recommended that the Medical Librarian verify the accuracy of the payroll before it is submitted to the Comptroller's Office.

Auditee's Response

"The Medical Librarian will henceforth verify the accuracy of the Medical Library payroll before it is submitted to the Comptroller's Office."

Auditor's Conclusion

Response accepted.

STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

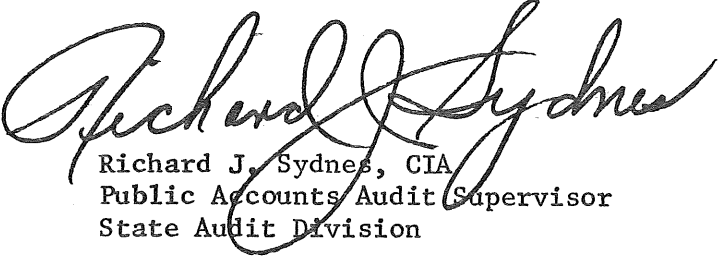
Audit Staff

June 30, 1978

The fieldwork for this report was prepared by Steve King, Assistant Auditor II.

The working papers and the completed audit report have been reviewed and edited by staff members in the General Office.

The Auditor of State and his staff wish to thank the employees of the State Library Commission of Iowa - Medical Library for their assistance and courtesey during the conduct of this audit.



Richard J. Sydnes, CIA
Public Accounts Audit Supervisor
State Audit Division

STATE LIBRARY COMMISSION OF IOWA
MEDICAL LIBRARY

Report Distribution

June 30, 1978

In accordance with Chapters 11.4 and 11.28 of the Code of Iowa, copies of this report are on file in the office of the Auditor of State and copies have been delivered to the following:

State Officials

Honorable Robert D. Ray, Governor
Ronald Mosher, CPA, Comptroller
Gerry D. Rankin, CPA, Legislative Fiscal Director

Commission Members (as of June 30, 1978)

Richard O. Shirk, Chairperson
990 South Frederick
Oelwein, Iowa 50662

Mrs. Marie Wallinga, Vice-Chairperson
240 Meadow Drive
Sioux Center, Iowa 51250

Ralph Dorner, M.D.
710 Equitable Building
Des Moines, Iowa 50309

Tom Muller
10 South Clinton
Iowa City, Iowa 52240

William O'Brien
Supreme Court Administrator
Local

Commission Member (appointed January 18, 1979)

Mrs. Julia Falk
1304 South Moreland
Shenandoah, Iowa 51601

Agency Officials

Barry L. Porter, State Librarian
Jack W. Hurkett, Assistant Director
Pamela Clark Rees, Medical Librarian