

## **APPENDIX A – LIBRARIES AND THE LOCAL GOVERNMENT REPORTING ENTITY**

Summary of How Different Libraries Should be Treated Relative to the Local Government Reporting Entity

<b>Library</b>	<b>Control</b>	<b>Conclusion</b>
Integrated Public Library	Yes	Part of Reporting Entity
Municipal Library	Yes	Part of Reporting Entity
Regional Library District	No	Not a part of Reporting Entity
Public Library Association	No	No a part of Reporting Entity

*Also, there is another entity called Library Federation. These are loose federations of different library boards established under agreement. A federation provides a formal body through which several boards can cooperate on matters of service delivery. Library Federations are not part of any local government reporting entity.*

**Control** – is the power to govern the financial and operating policies of another organization with expected benefits or the risk of loss to the government from the other organization's activities. (PS. 1300.08).

**Criteria for control:**

- The municipality determines the revenue raising, resource allocation, and expenditure policies of the organization.
- The municipality appoints the majority of the organization's board (or senior management).
- The above municipal authority is exercised without senior government approval or assent of the electors.

DETAILS OF ACCOUNTING TREATMENT OF LIBRARIES

Category	Library Info	Opinion
Integrated Public Library System	<ul style="list-style-type: none"> <li>* The RD deals with all the staffing of the libraries (library employees are employees of the RD).</li> <li>* Library budget is a service component of the RD budget.</li> </ul>	<p>The library service is administered through the regional district and the RD has power over the operations of the library. <u>Therefore it is controlled by a regional district.</u></p>
Municipal Libraries	<ul style="list-style-type: none"> <li>* <u>Board members are appointed by the municipality.</u></li> <li>* A municipality may remove a board member for cause.</li> <li>* Library sets its own business and management policies</li> <li>* Libraries may hire and dismiss employees</li> <li>* Libraries have exclusive control over all expenditures approved in the budget</li> </ul>	<p>The majority of the library board is appointed by the municipality and <u>therefore it is controlled by the municipality.</u></p>
Regional Library Districts	<ul style="list-style-type: none"> <li>* Two or more municipalities (plus one or more RDs) appoint board members; no one municipality or RD controls the board.</li> <li>* Library sets its own business and management policies.</li> <li>* Libraries may hire and dismiss employees.</li> <li>* Library may establish committees.</li> <li>* Library may acquire and dispose of land or buildings.</li> <li>* Libraries have exclusive control over all expenditures approved in the budget.</li> </ul>	<p>The library board is not appointed by a single local government. The board also exercises independent control over revenue, resource allocation and expenditures. <u>Therefore it is <b>not</b> controlled by a local government.</u></p>
Public Library Associations	<ul style="list-style-type: none"> <li>* The majority of the board members are elected from members of an independent library association.</li> <li>* Library sets its own business and management policies.</li> <li>* Libraries may hire and dismiss employees.</li> <li>* Library may establish committees.</li> <li>* Library may acquire land or buildings (including leases).</li> <li>* Libraries have exclusive control over all expenditures approved in the budget.</li> </ul>	<p>The majority of the library board is not appointed by a single local government. The board also exercises independent control over revenue, resource allocation and expenditures. <u>Therefore it is <b>not</b> controlled by a local government.</u></p>