

APPENDIX A – LIBRARIES AND THE LOCAL GOVERNMENT REPORTING ENTITY

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

Library	Control	Conclusion
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"> * The RD deals with all the staffing of the libraries (library employees are employees of the RD). * Library budget is a service component of the RD budget. 	<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"> * <u>Board members are appointed by the municipality.</u> * A municipality may remove a board member for cause. * Library sets its own business and management policies * Libraries may hire and dismiss employees * Libraries have exclusive control over all expenditures approved in the budget 	<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"> * Two or more municipalities (plus one or more RDs) appoint board members; no one municipality or RD controls the board. * Library sets its own business and management policies. * Libraries may hire and dismiss employees. * Library may establish committees. * Library may acquire and dispose of land or buildings. * Libraries have exclusive control over all expenditures approved in the budget. 	<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 not controlled by a local government.</u></p>
Public Library Associations	<ul style="list-style-type: none"> * The majority of the board members are elected from members of an independent library association. * Library sets its own business and management policies. * Libraries may hire and dismiss employees. * Library may establish committees. * Library may acquire land or buildings (including leases). * Libraries have exclusive control over all expenditures approved in the budget. 	<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 not controlled by a local government.</u></p>