



# MONTANA LEGISLATIVE AUDIT DIVISION

## FINANCIAL-COMPLIANCE AUDIT

### Montana State Library Commission

For the Two Fiscal Years ended June 30, 2009

SEPTEMBER 2009

09-23

REPORT SUMMARY

The Montana State Library Commission (Library) is the focal point for the development and improvement of library services in Montana. They provide general library services to the Montana state government as well as to public, academic, and specialized libraries throughout the state through their administration of such programs as the Talking Book Library, The Montana State Digital Library, which includes the Natural Resource Information System, and the Montana Shared Catalog, a program providing access to the collections of member libraries across the state on a 24 hour a day, 365 days a year basis.

#### Context

The Library consists of three main divisions with 30.5 FTE in total. The divisions are: Statewide Library Resources, Montana State Digital Library, and Central Services Division. For fiscal years 2009 and 2010, the Library had \$5.2 and \$4.8 million in total expenditures respectively. Of these expenditures, approximately 50 percent are funded with General Fund appropriations. Federal Grants account for approximately 25 percent of the funding, which goes primarily to expand the databases available to the libraries throughout the state and expand the technological capacity of the library system. The balance is from State Special Revenue sources and fees paid by member libraries to an Enterprise Fund for access to the Montana Shared Catalog.

#### Results

The Montana Shared Catalog Program is funded through annual fees paid by member libraries for access to the shared catalog database. When the library assumed control of the program in fiscal year 2008, it deferred \$241,819 in member fee revenue that had been earned. As a consequence, we were required to qualify our opinion on three of the six financial schedules of the library for the two year period ended June 30, 2009.

Recommendation Concurrence	
Concur	1
Partially Concur	0
Do Not Concur	0

Source: Agency audit response included in final report.

For a complete copy of the report or for further information, contact the Legislative Audit Division at 406-444-3122; e-mail to [lad@mt.gov](mailto:lad@mt.gov); or check the website at <http://leg.mt.gov/audit>. Report Fraud, Waste, and Abuse to the Legislative Auditor's FRAUD HOTLINE Call toll-free 1-800-222-4446, or e-mail [lad@mt.gov](mailto:lad@mt.gov).