



STATE OF INDIANA
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August 22, 2016

TO: THE OFFICIALS OF THE BENTON COUNTY PUBLIC LIBRARY, BENTON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Benton County Public Library (Library), for the period of January 1, 2011 to December 31, 2015, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Our procedures were designed solely to satisfy the requirements of Indiana Code 5-11-1. Because our procedures were not designed to opine on the Library's financial statement, we did not follow auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any basic financial statement of the Library.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Annual Financial Reports filed by the Library can be found on the Gateway website: <https://gateway.ifionline.org/>.

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Current Period Comments

- *Receipts were not issued at the time money was received.*
- *The Board did not adopt a salary schedule establishing the compensation of officers and employees for 2011, 2013, and 2014.*
- *The Annual Financial Report (AFR) for 2015 was not filed electronically until March 8, 2016, which was eight days past the due date.*
- *The AFRs filed for 2014 and 2015 did not agree to the Library's records as follows:*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per AFR</u>	<u>Amount Per Ledger</u>	<u>Difference</u>
2014	General	Receipts	\$ 269,114.25	\$ 175,639.11	\$ 93,475.14
2014	LIRF	Receipts	20,058.40	27.73	20,030.67
2014	Gift	Receipts	1,025.00	1,000.00	25.00
2014	Wind Farm	Receipts	6,773.00	3,386.50	3,386.50
2014	General	End Bal.	437,755.97	344,280.83	93,475.14
2014	LIRF	End Bal.	57,334.90	37,304.23	20,030.67
2014	Gift	End Bal.	9,054.45	9,029.45	25.00
2014	Wind Farm	End Bal.	25,854.04	22,467.54	3,386.50
2015	Payroll	Beg. Bal	532.88	-	532.88
2015	Payroll	Disb.	24,300.75	23,326.18	874.57

The majority of the differences were due to unrecorded receipt of tax distributions.

- The following fund had an overdrawn cash balance at December 31:

<u>Years</u>	<u>Fund</u>	<u>Amount Overdrawn</u>
2015	Payroll	<u>\$ 3,487.94</u>

- Payments for books and payroll disbursements were not supported by adequate documentation.

This letter is intended for the information and use of the governing body and management of the Library. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The contents of this letter were discussed on May 2, 2016, with John Duncan, Treasurer, and Betsy Slavens, Director. Any Official Response attached to this letter was not verified for accuracy.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner