



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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August 2, 2023

TO: THE OFFICIALS OF THE FRANKLIN COUNTY PUBLIC
LIBRARY DISTRICT, FRANKLIN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Franklin County Public Library District (Library), Franklin County, for the period of January 1, 2018 to December 31, 2022, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

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 Library's Annual Financial Reports filed by management can be found on the Gateway Website: www.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.

Comments

MONTHLY AND ANNUAL UPLOADS

Condition and Context

As of July 18, 2023, the Library had not uploaded a portion of the required monthly uploads and all of the required annual engagement uploads for 2018, 2019, 2020, 2021, and 2022 into the Indiana Gateway for Government Units financial reporting system as required by the Amended State Examiner Directive 2018-1.

Criteria

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 1)

Beginning with July 2018 files, which will be due September 15, 2018, all cities, towns, townships, libraries, and special districts will use the Upload App to upload files containing financial and governmental unit information on Gateway to allow the State Board of Accounts (SBOA) to conduct audit planning and audit processes prior to on-site work at a unit. (State Examiner Directive 2018-1)

OVERDRAWN CASH BALANCES

Condition and Context

During the years 2019, 2020, and 2021, the State Tech Grant Fund had disbursement activity, but no receipt activity, which caused an increasing deficit balance during the engagement period. The balance as of December 31, 2022, was a deficit balance of \$27,028.

Criteria

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 1)

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

The Schedule of Cash and Investment Balances - Regulatory Basis is presented as other information. It has not been subjected to any auditing procedures, and, accordingly, we do not express an opinion or provide any assurance on it.

SCHEDULE OF CASH AND INVESTMENT BALANCES - REGULATORY BASIS As of December 31, 2022

Fund	Cash and Investments 12-31-22
State Tech Grant Fund	\$ (27,028)
Evergreen Clearing Fund	177
Petty Cash Fund	75
Cash Change Fund	30
Operating Fund	2,889,875
Library Improvement Reserve Fund	48,557
Excess Levy Fund	1,790
Gift Cash Fund	171,215
Applegate Cash Gift Fund	3,276
Rainy Day Fund	<u>780,265</u>
Total	<u><u>\$ 3,868,232</u></u>

Any Official Response to the Comments, incorporated within this report, was not verified for accuracy.

The contents of this report were communicated to Felisha Dummel, interim Treasurer; Susan Knight, Library Director; and Charlene George, President of the Library Board, on July 18, 2023.

Respectfully,



Beth Kelley, CPA, CFE
Deputy State Examiner