

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

SUPPLEMENTAL COMPLIANCE REPORT

OF

AVON-WASHINGTON TOWNSHIP PUBLIC LIBRARY

HENDRICKS COUNTY, INDIANA

January 1, 2021 to December 31, 2022



FILED

12/04/2023

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Laurel Setser	01-01-21 to 12-31-23
Treasurer	Gaylene Wiseman	01-01-21 to 12-31-23
President of the Library Board	Steve Pearl Geoffrey Bradley	01-01-21 to 12-31-22 01-01-23 to 12-31-23



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE AVON-WASHINGTON TOWNSHIP
PUBLIC LIBRARY, HENDRICKS COUNTY, INDIANA

This report is supplemental to the audit report of the Avon-Washington Township Public Library (Library), for the period from January 1, 2021 to December 31, 2022. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the Library. It should be read in conjunction with the Financial Statement Audit Report of the Library, which provides our opinions on the Library's financial statement. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

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

Beth Kelley, CPA, CFE
Deputy State Examiner

November 22, 2023

AVON-WASHINGTON TOWNSHIP PUBLIC LIBRARY
AUDIT RESULTS AND COMMENTS

CAPITAL ASSETS

Condition and Context

The capital asset listing (listing) maintained by the Library was not complete. During the review of capital assets, improvements made to the patio in the amount of \$55,000 were not included on the listing. In addition, the Library overstated books and other capital assets by \$788,000.

Criteria

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 1)

ANNUAL FINANCIAL REPORT

Condition and Context

Financial and other information is required to be entered annually into the Annual Financial Report (AFR) via the Indiana Gateway for Government Units (Gateway) financial reporting system. The Library had not established effective internal controls over the AFR information entered into Gateway, which resulted in the following errors:

Financial Reporting and Closing

The financial statement and the Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis (Combining Schedules) did not include the Fica Liability or the Insurance funds.

Adjustments were proposed, accepted by the Library, and made to the financial statement and to the Combining Schedules presented as Required Supplementary Information in the Financial Statement Audit Report of the Library.

Other Information

The capital asset listing maintained by the Library was incomplete and did not support amounts reported for the capital assets in Gateway. Therefore, the Library chose not to present the Schedule of Capital Assets in the Financial Statement Audit Report of the Library.

Criteria

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

AVON-WASHINGTON TOWNSHIP PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on November 22, 2023, with Laurel Setser, Director, and Geoffrey Bradley, President of the Library Board.