

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

COMPLIANCE EXAMINATION REPORT

OF

CLINTON TOWNSHIP LIBRARY

VERMILLION COUNTY, INDIANA

January 1, 2018 to December 31, 2022



FILED
09/28/2023



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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September 28, 2023

To: The Officials of the Clinton Township Library
Clinton Township Library
313 South 4th Street
Clinton, IN 47842

This report is supplemental to the audit report of the Clinton Township Library (Library), for the period from January 1, 2018 to December 31, 2022. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the Library. It should be read in conjunction with the financial statement audit report of the Library, which provides an opinion on the Library's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the Library and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Findings and Results contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the Supplemental Audit Report for the Clinton Township Library prepared by Crowe LLP, Independent Public Accountants, for the period January 1, 2018 to December 31, 2022. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

We call your attention to the finding in the report on page 3.

The report is filed with this letter in our office as a matter of public record.

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

COMPLIANCE EXAMINATION OF
CLINTON TOWNSHIP LIBRARY
Vermillion County, Indiana
January 1, 2018 to December 31, 2022

CLINTON TOWNSHIP LIBRARY

Vermillion County, Indiana
January 1, 2018 to December 31, 2022

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CLINTON TOWNSHIP LIBRARY
SCHEDULE OF OFFICIALS
January 1, 2018 to December 31, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Becky Edington	01-01-18 to 12-31-22
President of the Board	William Webber Rosemary Iacoli	01-01-18 to 12-31-20 01-01-21 to 12-31-22



INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the Clinton Township Library

We have examined the Clinton Township Library ("Library") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Libraries* during the period January 1, 2018 to December 31, 2022. Management of the District is responsible for the Library's compliance with the specified requirements. Our responsibility is to express an opinion on the Library's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Library complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Library complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Library's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Guidelines Manual For Libraries* applicable to the Library during the period January 1, 2018 to December 31, 2022, as described item 2022-001 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the Library complied, in all material respects, with the aforementioned requirements during the period January 1, 2018 to December 31, 2022.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
September 13, 2023

CLINTON-CLINTON TOWNSHIP LIBRARY
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
January 1, 2018 to December 31, 2022

FINDING 2022-001: INTERNAL CONTROLS

Criteria: The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual: *"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes. An integral part of the control activity component is segregation of duties. . . . There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."*

Condition: During testing, we noted that the Library did not meet the minimum standards of internal control. Specifically, the Library did not properly review the 2021 AFR before submission which resulted in the exclusion of the Construction Fund that had an ending balance of \$921,185. Crowe notes this issue was corrected upon resubmission during the audit.

CLINTON TOWNSHIP LIBRARY
EXIT CONFERENCE
January 1, 2018 to December 31, 2022

The contents of this report were discussed on September 13, 2023 with Becky Edington, Executive Director and Donna Wilson, Board Treasurer.