

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

COMPLIANCE ENGAGEMENT REPORT

OF

LAWRENCEBURG PUBLIC LIBRARY DISTRICT

DEARBORN COUNTY, INDIANA

January 1, 2019 to December 31, 2023



FILED

06/19/2024

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Barbara B. Bonney Georgeann Doan (interim) Jake Moore	01-01-19 to 09-03-21 09-04-21 to 06-28-22 06-29-22 to 12-31-24
Treasurer	Georgeann Doan	01-01-19 to 12-31-24
President of the Library Board	Don Siemers Gary Gellert Kim McGranahan Dama Ewbank	01-01-19 to 12-31-19 01-01-20 to 12-31-20 01-01-21 to 12-31-22 01-01-23 to 12-31-24



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF THE LAWRENCEBURG PUBLIC LIBRARY
DISTRICT, DEARBORN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Lawrenceburg Public Library District (Library), for the period of January 1, 2019 to December 31, 2023. The objective of this engagement was to determine compliance with applicable Indiana laws, regulations, and uniform compliance guidelines (Guidelines) established by the Indiana State Board of Accounts pursuant to Indiana Code 5-11-1-24. The objective of this engagement is not to opine on compliance or financial activity of the Library as this engagement was not conducted in accordance with any standards established by an authoritative standard setting body, and, as such, we do not provide any opinions on compliance or financial activity.

Management is responsible for preparing and maintaining its accounting records and related documents in accordance with applicable Indiana laws, regulations, and Guidelines. Management's responsibility also includes, but is not limited to, complying with other applicable Indiana laws, regulations, and Guidelines concerning how it operates: authorized sources and uses of funds; what reports are required to be prepared and filed; and what depositories and investment types are allowable.

We fulfilled our responsibility as detailed in the first paragraph, using procedures that verified the appropriate accounting for and reporting of cash, receipts, and disbursements; and the appropriate sources and uses of funds in accordance with applicable Indiana laws, regulations, and Guidelines. Expanding the scope and nature of these procedures can and does occur in specific circumstances.

The Comments contained herein, if any, describe the identified reportable instances of noncompliance found during our engagement. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified. Any Official Response to the Comments incorporated within this report was not verified for accuracy.

The Schedule of Officials and Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis (Statements) are informational only. The Statements have not been subjected to any procedures designed to express an opinion or provide any assurance on them, and, accordingly, we do not express an opinion or provide any assurance on them.

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. Reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>, and the Library's Annual Financial Reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: <http://www.gateway.ifionline.org>.

The contents of this report were communicated to Georgeann Doan, Treasurer; Jake Moore, Director; Dama Ewbank, President of the Library Board; Gary Gellert, Library Board member; and Michelle Bunte, Business Manager, on June 17, 2024.



Beth Kelley, CPA, CFE
Deputy State Examiner

May 29, 2024

LAWRENCEBURG PUBLIC LIBRARY DISTRICT
COMMENT

ANNUAL FINANCIAL REPORT

A similar comment also appeared in prior Report B53312.

Condition and Context

The Library had not established effective internal controls over the financial information entered into the Annual Financial Report (AFR) via the Indiana Gateway for Government Units financial reporting system. Due to the lack of effective internal controls, the AFR included the following errors:

Year	Beginning Cash and Investments (Under)/Overstated	Receipts (Under)/Overstated	Disbursements (Under)/Overstated	Ending Cash and Investments (Under)/Overstated
2019	\$ (91,112)	\$ (319,866)	\$ (295,753)	\$ (115,225)
2020	(115,225)	(912,142)	(1,264,942)	237,575
2021	(63,626)	(348,275)	(305,803)	(106,098)
2022	(106,098)	(394,564)	(355,009)	(145,653)
2023	(144,448)	(652,700)	(639,005)	(158,143)

Adjustments were proposed, accepted by the Library, and made to the Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis presented in this report.

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 as set forth in the uniform compliance guidelines. 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](#)."

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. . . ."

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STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH
AND INVESTMENT BALANCES - REGULATORY BASIS

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LAWRENCEBURG PUBLIC LIBRARY DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended December 31, 2019 and 2020

Fund	Cash and Investments 01-01-19	Receipts	Disbursements	Cash and Investments 12-31-19	Receipts	Disbursements	Cash and Investments 12-31-20
Operating Fund	\$ 984,895	\$ 1,926,299	\$ 1,608,859	\$ 1,302,335	\$ 2,031,082	\$ 2,676,395	\$ 657,022
Rainy Day Fund	1,094,943	-	-	1,094,943	-	-	1,094,943
State Technology Grants	2,036	12,366	12,366	2,036	12,366	10,465	3,937
Library Improvement Reserve Fund	902,424	8,540	150,322	760,642	950,191	524,713	1,186,120
Grants DC Foundations	-	-	-	-	80,000	-	80,000
Grants CARES-COVID	-	-	-	-	1,760	1,431	329
Clearing Account	91,112	306,612	280,597	117,127	457,446	474,947	99,626
Gift Fund	60,419	50,377	40,644	70,152	10,450	27,875	52,727
Ludlow Memorial Fund	41,727	-	-	41,727	70	-	41,797
Restricted Gift #1	1,730	-	-	1,730	-	-	1,730
Totals	<u>\$ 3,179,286</u>	<u>\$ 2,304,194</u>	<u>\$ 2,092,788</u>	<u>\$ 3,390,692</u>	<u>\$ 3,543,365</u>	<u>\$ 3,715,826</u>	<u>\$ 3,218,231</u>

LAWRENCEBURG PUBLIC LIBRARY DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended December 31, 2021 and 2022

Fund	Cash and Investments			Cash and Investments			Cash and Investments
	01-01-21	Receipts	Disbursements	12-31-21	Receipts	Disbursements	
Operating Fund	\$ 657,022	\$ 2,042,657	\$ 1,806,783	\$ 892,896	\$ 2,052,024	\$ 2,006,306	\$ 938,614
Rainy Day Fund	1,094,943	-	-	1,094,943	-	87,967	1,006,976
State Technology Grants	3,937	10,090	13,397	630	12,888	13,206	312
Library Improvement Reserve Fund	1,186,120	14,816	172,579	1,028,357	82,485	80,270	1,030,572
Grants American Rescue Plan (ARPA)	-	-	-	-	22,690	23,105	(415)
Grants DC Foundations	80,000	-	-	80,000	1,000	80,000	1,000
Grants General	-	1,354	-	1,354	-	1,099	255
Grants CARES - COVID	329	-	-	329	-	-	329
Gift Fund	52,727	34,547	36,738	50,536	35,141	38,246	47,431
Ludlow Memorial Fund	41,797	73	-	41,870	71	-	41,941
Restricted Gift #1	1,730	-	-	1,730	-	1,730	-
Clearing Account	99,626	348,275	305,803	142,098	394,564	355,008	181,654
Totals	<u>\$ 3,218,231</u>	<u>\$ 2,451,812</u>	<u>\$ 2,335,300</u>	<u>\$ 3,334,743</u>	<u>\$ 2,600,863</u>	<u>\$ 2,686,937</u>	<u>\$ 3,248,669</u>

LAWRENCEBURG PUBLIC LIBRARY DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2023

Fund	Cash and Investments 01-01-23	Receipts	Disbursements	Cash and Investments 12-31-23
Operating Fund	\$ 938,614	\$ 2,336,136	\$ 2,133,574	\$ 1,141,176
Rainy Day Fund	1,006,976	-	11,307	995,669
State Technology Grants	312	10,559	10,323	548
Library Improvement Reserve Fund	1,030,572	35,291	62,024	1,003,839
Clearing Account	181,654	412,853	567,846	26,661
PLAC	-	65	-	65
Grants DC Foundations	1,000	-	-	1,000
Grants General	255	-	-	255
Grants CARES - COVID	329	-	329	-
Gift Fund	47,431	28,818	36,567	39,682
Ludlow Memorial Fund	41,941	73	-	42,014
Restricted Gift #1	-	1,550	1,550	-
Grants American Rescue Plan (ARPA)	(415)	-	-	(415)
Totals	<u>\$ 3,248,669</u>	<u>\$ 2,825,345</u>	<u>\$ 2,823,520</u>	<u>\$ 3,250,494</u>