

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

COMPLIANCE ENGAGEMENT REPORT

OF

FORT BRANCH-JOHNSON TOWNSHIP PUBLIC LIBRARY

GIBSON COUNTY, INDIANA

January 1, 2019 to December 31, 2023



FILED

05/30/2024

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Laura M. Happe	01-01-19 to 12-31-24
Treasurer	Crystal R. Smith	01-01-19 to 12-31-24
President of the Library Board	Chris E. Wallace Sue Ann Steinmetz	01-01-19 to 12-31-21 01-01-22 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 FORT BRANCH-JOHNSON TOWNSHIP
PUBLIC LIBRARY, GIBSON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Fort Branch-Johnson Township Public Library (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 Laura M. Happe, Director; Crystal R. Smith, Treasurer; and Sue Ann Steinmetz, President of the Library Board, on May 22, 2024.



Beth Kelley, CPA, CFE
Deputy State Examiner

May 15, 2024

FORT BRANCH-JOHNSON TOWNSHIP PUBLIC LIBRARY
COMMENT

PENALTIES, INTEREST, AND OTHER CHARGES

Condition and Context

In 2022, the Library paid \$2,985 in penalties to the Internal Revenue Service for late remittances of payroll withholdings.

Criteria

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the unit. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the unit. Any penalties, interest, or other charges paid by the unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 1)

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

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FORT BRANCH-JOHNSON TOWNSHIP PUBLIC LIBRARY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2019 and 2020

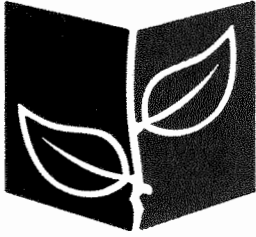
Fund	Cash and Investments 01-01-19	Receipts	Disbursements	Cash and Investments 12-31-19	Receipts	Disbursements	Cash and Investments 12-31-20
Operating Fund	\$ 570,997	\$ 1,328,690	\$ 1,219,825	\$ 679,862	\$ 517,085	\$ 563,866	\$ 633,081
Newspaper Project	795	-	-	795	-	-	795
FICA	-	14,178	14,178	-	15,422	15,422	-
Creative Space Grant	-	526	526	-	-	-	-
Rainy Day - Capital Projects	-	-	-	-	50,293	-	50,293
ISL Grant - CARES ACT	-	-	-	-	-	1,400	(1,400)
Petty Cash	50	-	-	50	-	-	50
LIRF	75,072	21,239	1	96,310	20,423	-	116,733
Gift Fund	5,400	5,116	3,972	6,544	4,597	4,244	6,897
Rainy Day Fund	218,199	204,401	400,000	22,600	65,098	-	87,698
Federal Tax	-	16,178	16,178	-	14,257	14,257	-
Medicare	-	3,316	3,316	-	3,607	3,607	-
State Tax	-	7,058	7,058	-	7,701	7,701	-
County Tax	-	1,529	1,529	-	2,146	2,146	-
Totals	<u>\$ 870,513</u>	<u>\$ 1,602,231</u>	<u>\$ 1,666,583</u>	<u>\$ 806,161</u>	<u>\$ 700,629</u>	<u>\$ 612,643</u>	<u>\$ 894,147</u>

FORT BRANCH-JOHNSON TOWNSHIP PUBLIC LIBRARY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2021 and 2022

Fund	Cash and Investments 01-01-21	Receipts	Disbursements	Cash and Investments 12-31-21	Receipts	Disbursements	Cash and Investments 12-31-22
Operating Fund	\$ 633,082	\$ 544,436	\$ 568,746	\$ 608,772	\$ 554,377	\$ 495,632	\$ 667,517
Newspaper Project	795	-	795	-	-	-	-
FICA	-	14,721	14,721	-	16,084	16,084	-
Rainy Day - Capital Projects	50,293	26	50,000	319	-	319	-
ISL Grant - CARES ACT	(1,400)	3,400	2,000	-	-	-	-
ARPA Grant	-	-	-	-	25,507	25,507	-
Betty McCullough Grant	-	-	-	-	7,726	7,726	-
Gibson Co. Comm. Foundation Grant	-	-	-	-	7,000	-	7,000
CenterPoint Energy Foundation	-	-	-	-	25,000	7,021	17,979
Pumphrey Foundation	-	-	-	-	50,000	-	50,000
Gift Fund-Library Expansion	-	-	-	-	23,669	-	23,669
Petty Cash	50	-	-	50	50	-	100
LIRF	116,733	20,083	-	136,816	21,506	-	158,322
Gift Fund	6,898	9,636	10,233	6,301	5,408	6,306	5,403
Rainy Day Fund	87,698	50,070	35,000	102,768	26,846	-	129,614
Federal Tax	-	22,469	22,469	-	23,969	23,969	-
Medicare	-	3,443	3,443	-	3,762	3,762	-
State Tax	-	8,588	8,588	-	9,424	9,424	-
County Tax	-	2,042	2,042	-	2,236	2,236	-
Totals	<u>\$ 894,149</u>	<u>\$ 678,914</u>	<u>\$ 718,037</u>	<u>\$ 855,026</u>	<u>\$ 802,564</u>	<u>\$ 597,986</u>	<u>\$ 1,059,604</u>

FORT BRANCH-JOHNSON TOWNSHIP PUBLIC LIBRARY
 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	\$ 667,517	\$ 614,096	\$ 507,205	\$ 774,408
FICA	-	16,878	16,878	-
Betty McCullough Grant	-	1,793	1,646	147
Gibson Co. Comm. Foundation Grant	7,000	-	5,105	1,895
CenterPoint Energy Foundation	17,979	-	17,979	-
Pumphrey Foundation	50,000	17,500	67,499	1
Gift Fund-Library Expansion	23,669	50,590	60,559	13,700
Toyota Grant	-	12,500	8,535	3,965
TIF Funds - Library Expansion Project	-	2,061,120	2,061,120	-
Garnishment	-	838	838	-
Petty Cash	100	-	-	100
LIRF	158,322	26,183	-	184,505
Gift Fund	5,403	7,759	6,318	6,844
Rainy Day Fund	129,615	6,326	-	135,941
Federal Tax	-	25,656	25,656	-
Medicare	-	3,947	3,947	-
State Tax	-	9,864	9,864	-
County Tax	-	2,339	2,339	-
Totals	<u>\$ 1,059,605</u>	<u>\$ 2,857,389</u>	<u>\$ 2,795,488</u>	<u>\$ 1,121,506</u>



Fort Branch & Haubstadt Public Library

FORT BRANCH LIBRARY

107 E Locust St
Fort Branch, IN 47648

812-753-4212

HAUBSTADT LIBRARY

101 W Gibson St
Haubstadt, IN 47639

812-753-4212

OFFICIAL RESPONSE

May 29, 2024

Indiana State Board of Accounts
302 West Washington St. Room E418
Indianapolis, IN 46204-2765

RE: Exit Conference for period examined January 1, 2019 to December 31, 2023

We agree with the examination results and comment referring to penalties paid to the Internal Revenue Service in 2022 and that the issue was resolved prior to the examination by State Board of Accounts.

Crystal R. Smith
Treasurer
Fort Branch-Johnson Township Public Library