

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

COMPLIANCE ENGAGEMENT REPORT

OF

JASPER COUNTY PUBLIC LIBRARY

JASPER COUNTY, INDIANA

January 1, 2019 to December 31, 2023



FILED
10/03/2024

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Patricia Stringfellow	01-01-19 to 08-31-24
	Evelyn Parrish	09-01-24 to 12-31-24
Treasurer	Janelle Harper	01-01-19 to 12-31-19
	Mark Heinig	01-01-20 to 12-31-21
	Janelle Harper	01-01-22 to 12-31-23
	Mark Heinig	01-01-24 to 12-31-24
President of the Library Board	Janet Umlauf	01-01-19 to 12-31-19
	Kevin Kaluf	01-01-20 to 12-31-21
	Julie Davidson	01-01-22 to 12-31-23
	Kevin Kaluf	01-01-24 to 12-31-24



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE JASPER COUNTY PUBLIC LIBRARY, JASPER COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Jasper County 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 Evelyn Parrish, Director; Mark Heinig, Treasurer; and Rayann Gilmore, Business Manager, on September 25, 2024.



Beth Kelley, CPA, CFE
Deputy State Examiner

September 25, 2024

JASPER COUNTY PUBLIC LIBRARY
COMMENT

CAPITAL ASSETS

Condition and Context

Financial and other information are required to be entered annually into the Annual Financial Report (AFR) via the Indiana Gateway for Government Units (Gateway) financial reporting system. The Library did not have a proper system of internal controls in place to ensure the AFR information entered into Gateway for capital assets was entered correctly and that compliance requirements for capital assets were followed.

The Library was not able to provide records to support the capital asset information entered into Gateway for each year within the engagement period. The capital asset detailed listings were not printed or saved when the reports were used to enter capital asset information into Gateway. If the report is not saved or printed when the report is used, the Library is unable to recreate the report from a previous period. Because these reports were not retained, we were unable to verify the amounts reported for capital assets for any year during the engagement period. The capital assets reported as of December 31, 2023, totaled \$9,088,027.

Additionally, the Library did not complete an inventory at least every two years as required. The most recent inventory was completed in October 2019.

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. . . ."

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](#)."

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)

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

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JASPER COUNTY 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	\$ 769,507	\$ 2,377,419	\$ 2,340,189	\$ 806,737	\$ 2,407,077	\$ 2,227,559	\$ 986,255
Rainy Day	2,249,509	45,428	15,715	2,279,222	11,250	14,209	2,276,263
Library Improvement Reserve (LIRF)	231,769	232	-	232,001	233	-	232,234
Sales Tax	221	169	199	191	56	168	79
Insurance Settlement	-	6,767	6,767	-	-	-	-
Garnishments	23	574	597	-	23	23	-
COVID: CARES Act mini-grant	-	-	-	-	1,400	1,400	-
Petty Cash	120	-	-	120	-	-	120
Cash Change	150	-	-	150	-	-	150
State Technology Grant Fund	-	20,244	20,244	-	21,384	20,283	1,101
Gift	19,920	19,243	21,406	17,757	17,534	12,254	23,037
Bond & Interest Redemption	3,143	-	-	3,143	-	-	3,143
IN Deferred Comp. Plan	-	34,080	34,080	-	34,580	34,580	-
INPRS	-	39,759	39,759	-	41,763	41,763	-
FIT Tax Collected	-	86,707	86,707	-	92,568	92,568	-
State Tax Collected	-	43,449	43,449	-	45,309	45,309	-
FICA Tax Collected	-	96,932	96,932	-	100,901	100,901	-
County Tax Collected	-	34,078	34,078	-	34,829	34,829	-
Life Insurance	1	2,939	2,939	1	4,791	4,791	1
#125 Cafeteria Plan	48	42,441	42,489	-	44,837	44,837	-
Totals	<u>\$ 3,274,411</u>	<u>\$ 2,850,461</u>	<u>\$ 2,785,550</u>	<u>\$ 3,339,322</u>	<u>\$ 2,858,535</u>	<u>\$ 2,675,474</u>	<u>\$ 3,522,383</u>

JASPER COUNTY 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	\$ 986,256	\$ 2,504,125	\$ 2,308,942	\$ 1,181,439	\$ 2,655,896	\$ 2,384,352	\$ 1,452,983
Rainy Day	2,276,263	1,465	6,758	2,270,970	27,861	414,940	1,883,891
Library Improvement Reserve (LIRF)	232,233	232	-	232,465	232	-	232,697
Public Library Access Card (PLAC)	-	-	-	-	65	65	-
Sales Tax	79	28	55	52	214	27	239
COVID: CARES Act mini-grant	-	2,000	2,000	-	-	-	-
ARP Grant Fund	-	-	-	-	24,340	24,340	-
Petty Cash	120	-	-	120	-	-	120
Cash Change	150	-	-	150	-	-	150
Broadband Connectivity Grant	1,101	17,449	18,550	-	18,656	18,656	-
Gift	23,037	15,303	13,439	24,901	24,527	20,884	28,544
Bond & Interest Redemption	3,143	-	-	3,143	-	-	3,143
IN Deferred Comp. Plan	-	36,130	36,130	-	27,530	27,530	-
INPRS	-	37,761	37,761	-	36,795	36,795	-
FIT Tax Collected	-	97,913	97,913	-	103,327	103,327	-
State Tax Collected	-	44,922	44,922	-	45,056	45,056	-
FICA Tax Collected	-	99,894	99,894	-	99,373	99,373	-
County Tax Collected	-	34,299	34,299	-	34,443	34,443	-
Life Insurance	-	3,917	3,917	-	4,156	4,156	-
#125 Cafeteria Plan	-	48,947	48,947	-	43,127	43,127	-
Totals	<u>\$ 3,522,382</u>	<u>\$ 2,944,385</u>	<u>\$ 2,753,527</u>	<u>\$ 3,713,240</u>	<u>\$ 3,145,598</u>	<u>\$ 3,257,071</u>	<u>\$ 3,601,767</u>

JASPER COUNTY 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	\$ 1,452,984	\$ 2,754,495	\$ 2,583,939	\$ 1,623,540
Rainy Day	1,883,891	94,631	-	1,978,522
Library Improvement Reserve (LIRF)	232,697	50,232	-	282,929
Sales Tax	237	208	212	233
Petty Cash	120	-	-	120
Cash Change	150	-	-	150
Broadband Connectivity Grant	-	18,520	16,673	1,847
Gift	28,545	17,607	22,359	23,793
Bond & Interest Redemption	3,143	-	-	3,143
IN Deferred Comp. Plan	-	23,130	23,130	-
INPRS	-	38,326	38,326	-
FIT Tax Collected	-	105,960	105,960	-
State Tax Collected	-	45,166	45,166	-
FICA Tax Collected	-	102,818	102,818	-
County Tax Collected	-	35,812	35,812	-
Life Insurance	-	3,453	3,453	-
#125 Cafeteria Plan	-	42,207	41,494	713
Totals	<u>\$ 3,601,767</u>	<u>\$ 3,332,565</u>	<u>\$ 3,019,342</u>	<u>\$ 3,914,990</u>



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Wheatfield Public Library

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OFFICIAL RESPONSE

Date: September 26, 2024

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

Re: Jasper County Public Library Audit Report

The Jasper County Public Library accepts the findings of the Indiana State Board of Accounts audit report for 2019-2023 and wishes to respond to the comments regarding capital assets:

The capital asset detail listings used to enter capital asset information into the Gateway will be printed and retained in the library's records each year. Additionally, the Jasper County Public Library will ensure it is completing a physical inventory every two years; this task is being added to our Capital Assets Policy and Board Task List.

Thank you,
Evelyn Parrish
Director, Jasper County Public Library