

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

**Paul D. Joyce, CPA
State Examiner**

COMPLIANCE ENGAGEMENT REPORT

OF

BICKNELL-VIGO TOWNSHIP PUBLIC LIBRARY

KNOX COUNTY, INDIANA

January 1, 2020 to December 31, 2023



FILED

04/14/2025

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Deborah Kean Caleb Sydow	01-01-20 to 04-15-22 04-16-22 to 12-31-25
Treasurer	Thomas Estabrook Brenda DeWeese	01-01-20 to 06-01-22 06-02-22 to 12-31-25
President of the Library Board	Linda J. Hancock	01-01-20 to 12-31-25



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INDIANA STATE BOARD OF ACCOUNTS

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TO: THE OFFICIALS OF THE BICKNELL-VIGO TOWNSHIP
PUBLIC LIBRARY, KNOX COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Bicknell-Vigo Township Public Library (Library), for the period of January 1, 2020 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 Caleb Sydow, Director; Brenda DeWeese, Treasurer; and Linda J. Hancock, President of the Library Board, on March 20, 2025.



Beth Kelley, CPA, CFE
Deputy State Examiner

March 4, 2025

BICKNELL-VIGO TOWNSHIP PUBLIC LIBRARY
COMMENTS

TRAINING ON INTERNAL CONTROL STANDARDS

Condition and Context

Internal controls were not in place to ensure the Library complied with laws related to training on internal controls. Employees whose official duties included receiving, processing, depositing, disbursing, or otherwise having access to funds that belonged to the Library, had not received training over internal control standards that were developed or approved by the Indiana State Board of Accounts.

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. . . ."

Indiana Code 5-11-1-27(g) states:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that:

- (1) the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; and
- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

BICKNELL-VIGO TOWNSHIP PUBLIC LIBRARY
COMMENTS
(Continued)

CERTIFICATION ON INTERNAL CONTROL STANDARDS

Condition and Context

Internal controls were not in place to ensure the Library complied with laws related to certification on internal controls. The Library certified on the Indiana Gateway for Government Units financial reporting system that all personnel defined by Indiana Code 5-11-1-27(c) had received training concerning the internal control standards adopted by the Library; however, all personnel had not received training concerning the internal control standards.

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. . . ."

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](#)."

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

BICKNELL-VIGO TOWNSHIP PUBLIC LIBRARY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2020 and 2021

Fund	Cash and Investments 01-01-20	Receipts	Disbursements	Cash and Investments 12-31-20	Receipts	Disbursements	Cash and Investments 12-31-21
General	\$ 355,243	\$ 165,492	\$ 163,775	\$ 356,960	\$ 222,183	\$ 171,512	\$ 407,631
Rainy Day	40,004	-	-	40,004	-	-	40,004
Levy Excess	32,730	-	-	32,730	705	32,730	705
Payroll Withholding	-	20,377	20,377	-	20,455	20,455	-
Harold F. Huffman Trust	67,126	39,796	6,448	100,474	41,734	34,421	107,787
Transfer Fund	-	200,000	200,000	-	300,002	300,002	-
CARES MINI-GRANT FUND	-	-	-	-	1,346	1,346	-
P.L.A.C.	-	-	-	-	65	65	-
Gift	15,178	250	-	15,428	5,152	-	20,580
State Technology State Grant Fund	2,791	5,581	5,581	2,791	4,554	5,581	1,764
Totals	<u>\$ 513,072</u>	<u>\$ 431,496</u>	<u>\$ 396,181</u>	<u>\$ 548,387</u>	<u>\$ 596,196</u>	<u>\$ 566,112</u>	<u>\$ 578,471</u>

BICKNELL-VIGO TOWNSHIP PUBLIC LIBRARY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2023

Fund	Cash and Investments 01-01-22	Receipts	Disbursements	Cash and Investments 12-31-22	Receipts	Disbursements	Cash and Investments 12-31-23
General	\$ 407,632	\$ 202,582	\$ 188,819	\$ 421,395	\$ 187,777	\$ 204,589	\$ 404,583
Rainy Day	40,004	-	-	40,004	-	-	40,004
Levy Excess	705	-	-	705	-	-	705
Payroll Withholding	-	18,469	18,469	-	20,248	20,248	-
Harold F. Huffman Trust	107,786	43,968	1,698	150,056	-	28,800	121,256
ARPA Grant Fund	-	15,978	15,978	-	-	-	-
Gift	20,580	570	8,990	12,160	6,525	496	18,189
State Technology State Grant Fund	1,764	4,869	5,116	1,517	4,765	4,786	1,496
Totals	<u>\$ 578,471</u>	<u>\$ 286,436</u>	<u>\$ 239,070</u>	<u>\$ 625,837</u>	<u>\$ 219,315</u>	<u>\$ 258,919</u>	<u>\$ 586,233</u>