

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

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

COMPLIANCE ENGAGEMENT REPORT

OF

ROACHDALE-FRANKLIN TOWNSHIP PUBLIC LIBRARY

PUTNAM COUNTY, INDIANA

January 1, 2021 to December 31, 2024



FILED

04/09/2025

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Jennifer Stranger	07-01-21 to 12-31-25
Treasurer	Brandy Muse	07-01-21 to 12-31-25
President of the Library Board	Stephen Edwards	07-01-21 to 12-31-25



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TO: THE OFFICIALS OF THE ROACHDALE-FRANKLIN TOWNSHIP
PUBLIC LIBRARY, PUTNAM COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Roachdale-Franklin Township Public Library (Library), for the period of January 1, 2021 to December 31, 2024. 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 Comment contained herein, if any, describes the identified reportable instance 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 Jennifer Stranger, Director; Stephen Edwards, President of the Library Board; and Brandy Muse, Treasurer, on March 12, 2025.



Beth Kelley, CPA, CFE
Deputy State Examiner

March 7, 2025

ROACHDALE-FRANKLIN TOWNSHIP PUBLIC LIBRARY
COMMENT

ANNUAL FINANCIAL REPORT

Condition and Context

Financial and other information is required to be entered annually in the Annual Financial Report (AFR) via the Indiana Gateway for Government Units financial reporting system. Internal controls were not in place to ensure the AFR was submitted accurately.

The AFR contained the following errors:

- In 2021, the Payroll Withholdings fund was omitted resulting in an understatement of \$9,886 in both receipts and disbursements.
- In 2022, the Payroll Withholdings fund was omitted resulting in an understatement of \$11,076 in both receipts and disbursements.
- In 2023, the Payroll Withholdings fund was omitted resulting in an understatement of \$12,030 in both receipts and disbursements.
- In 2024, the Payroll Withholdings fund was omitted resulting in an understatement of \$13,167 in both receipts and disbursements.

Audit adjustments were proposed, accepted by the Library, and made to the AFR included 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. . . ."



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

ROACHDALE-FRANKLIN 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
General	\$ 100,085	\$ 104,424	\$ 99,175	\$ 105,334	\$ 107,329	\$ 105,162	\$ 107,501
Community Foundation Tech Grant	-	3,800	3,800	-	-	-	-
Rainy Day	44,000	6,000	-	50,000	3,735	7,039	46,696
Gift	2,290	3,651	4,050	1,891	3,989	4,433	1,447
Library Improvement Reserve	7,469	-	-	7,469	-	-	7,469
Payroll Withholdings	-	9,886	9,886	-	11,076	11,076	-
Totals	<u>\$ 153,844</u>	<u>\$ 127,761</u>	<u>\$ 116,911</u>	<u>\$ 164,694</u>	<u>\$ 126,129</u>	<u>\$ 127,710</u>	<u>\$ 163,113</u>

ROACHDALE-FRANKLIN TOWNSHIP PUBLIC LIBRARY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2023 and 2024

Fund	Cash and Investments 01-01-23	Receipts	Disbursements	Cash and Investments 12-31-23	Receipts	Disbursements	Cash and Investments 12-31-24
General	\$ 107,499	\$ 129,302	\$ 126,222	\$ 110,579	\$ 122,129	\$ 124,320	\$ 108,388
Community Foundation/Adult Summer Reading	-	-	-	-	2,700	2,682	18
Creative Arts & Aging Grant	-	-	-	-	5,000	4,997	3
Rainy Day	46,696	4,500	20,350	30,846	5,400	3,243	33,003
Gift	1,447	6,140	6,213	1,374	10,048	10,004	1,418
Library Improvement Reserve	7,469	-	-	7,469	-	-	7,469
Payroll Withholdings	-	12,030	12,030	-	13,167	13,167	-
Totals	<u>\$ 163,111</u>	<u>\$ 151,972</u>	<u>\$ 164,815</u>	<u>\$ 150,268</u>	<u>\$ 158,444</u>	<u>\$ 158,413</u>	<u>\$ 150,299</u>