

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

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

COMPLIANCE ENGAGEMENT REPORT

OF

UPLAND PUBLIC LIBRARY

GRANT COUNTY, INDIANA

January 1, 2021 to December 31, 2024



FILED

05/14/2025

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Aubrie Wickham	01-01-21 to 12-31-25
Treasurer	Martha Wenger Verna Brannigan	01-01-21 to 12-31-23 01-01-24 to 12-31-25
President of the Library Board	Allison Gill Ashley Tiberi	01-01-21 to 12-31-21 01-01-22 to 12-31-25



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INDIANA STATE BOARD OF ACCOUNTS

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TO: THE OFFICIALS OF THE UPLAND PUBLIC LIBRARY, GRANT COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Upland 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 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 Aubrie Wickham, Director; Ashley Tiberi, President of the Library Board; and Dan Bowell, Library Board member, on May 7, 2025.



Beth Kelley, CPA, CFE
Deputy State Examiner

April 22, 2025

UPLAND PUBLIC LIBRARY
COMMENT

CAPITAL ASSETS

A similar comment appeared in the prior Management Letter.

Condition and Context

Internal controls were not in place to ensure the Library complied with capital asset requirements.

The Library did not provide evidence that a physical inventory had been completed at least every two years.

Criteria

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)

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

UPLAND 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	\$ 56,997	\$ 80,050	\$ 77,537	\$ 59,510	\$ 77,057	\$ 80,706	\$ 55,861
Rainy Day	12,441	8,000	-	20,441	8,000	1,037	27,404
Library Improvement Reserve	35,828	-	-	35,828	-	-	35,828
Plac Card	-	455	455	-	260	260	-
Diller	42	-	42	-	-	-	-
Internet Grant	-	1,323	1,323	-	1,414	1,414	-
Evergreen Indiana	25	59	41	43	136	129	50
Payroll Withholding	(690)	9,057	8,367	-	10,510	10,510	-
Undesignated Gift Fund	509	1,344	527	1,326	1,424	671	2,079
LSTA Cares Act	-	149	149	-	-	-	-
Designated Gift Fund	-	600	131	469	2,300	2,068	701
ARPA Grant	-	-	850	(850)	5,107	4,257	-
Indiana Humanities	-	-	-	-	1,000	1,000	-
Gates Foundation Fund	1,236	-	-	1,236	-	1,236	-
Totals	<u>\$ 106,388</u>	<u>\$ 101,037</u>	<u>\$ 89,422</u>	<u>\$ 118,003</u>	<u>\$ 107,208</u>	<u>\$ 103,288</u>	<u>\$ 121,923</u>

UPLAND 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	\$ 55,861	\$ 85,778	\$ 86,360	\$ 55,279	\$ 90,064	\$ 91,213	\$ 54,130
Rainy Day	27,404	6,000	1,133	32,271	5,000	2,190	35,081
Library Improvement Reserve	35,828	-	-	35,828	-	-	35,828
Plac Card	-	260	195	65	260	195	130
Internet Grant	-	1,384	1,384	-	2,012	2,012	-
Evergreen Indiana	50	32	65	17	60	78	(1)
Payroll Withholding	-	11,546	11,546	-	10,542	10,542	-
Undesignated Gift Fund	2,079	1,516	1,841	1,754	1,660	1,468	1,946
Designated Gift Fund	701	595	595	701	650	650	701
IEEE Grant	-	1,500	1,406	94	500	94	500
Indiana Humanities	-	-	-	-	1,000	1,000	-
Totals	\$ 121,923	\$ 108,611	\$ 104,525	\$ 126,009	\$ 111,748	\$ 109,442	\$ 128,315



May 7, 2025

To Whom It May Concern,

I would like to officially respond to the comment placed in the Upland Public Library's audit report for January 01, 2021 - December 31, 2024.

It states that "The Library did not provide evidence that a physical inventory had been completed at least every two years." The only capital asset that meets the threshold in the Upland Public Library is the collection. To expect a library to inventory their collection every two years is unreasonable due to the amount of time, manpower, and resources it takes to complete this task. I believe the manual the auditors use when assessing units should be adjusted for libraries to accommodate their unique capital asset holdings and what a "complete inventory" would mean for these units. Though I have not spoken with every library in the state, most libraries I have discussed collection inventories with seem to do them on a 5-10 year cycle.

I also informed my auditor at the beginning of the audit process that the library started a collection inventory in February 2024 and completed it in February 2025 and that prior to this I also completed a collection inventory in 2020-2021. Though it is not in the two-year cycle indicated by the manual the auditor used, it is proof that I have been actively doing an inventory on a regular basis. Again, the manual the auditors use when assessing units should be adjusted for libraries to accommodate their unique capital asset holdings.

Sincerely,

Aubrie Wickham
Library Director
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