

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

COMPLIANCE EXAMINATION REPORT

OF

HUSSEY-MAYFIELD MEMORIAL PUBLIC LIBRARY

BOONE COUNTY, INDIANA

January 1, 2022 to December 31, 2023



**FILED**  
10/23/2024



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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October 23, 2024

Board of Directors  
Hussey-Mayfield Memorial Public Library  
Boone County, Indiana

This report is supplemental to the audit report of the Hussey-Mayfield Memorial Public Library (Library), for the period from January 1, 2022 to December 31, 2023. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the Library. It should be read in conjunction with the financial statement audit report of the Library, which provides an opinion on the Library's financial statements. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the Library and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Findings and Results contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the Hussey-Mayfield Memorial Public Library prepared by Crowe LLP, Independent Public Accountants, for the period January 1, 2022 to December 31, 2023. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings in the report on pages 3 and 4.

The report is filed with this letter in our office as a matter of public record.

A handwritten signature in black ink that reads 'Tammy R. White'.

Tammy R. White, CPA  
Deputy State Examiner

**COMPLIANCE EXAMINATION OF**  
HUSSEY-MAYFIELD MEMORIAL PUBLIC LIBRARY  
Boone County, Indiana  
January 1, 2022 through December 31, 2023

HUSSEY-MAYFIELD MEMORIAL PUBLIC LIBRARY

Boone County, Indiana  
January 1, 2022 through December 31, 2023

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HUSSEY-MAYFIELD MEMORIAL PUBLIC LIBRARY  
SCHEDULE OF OFFICIALS  
January 1, 2022 through December 31, 2023

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<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the Library Board	Monty Korte	01-01-22 to 12-31-22
	Molly Hanlon	01-01-23 to 12-31-23
Director	Sarah Moore	01-01-22 to 04-01-23
	(Vacant)	04-02-23 to 07-30-23
	Kristin Shelley	07-31-23 to 12-31-23
Treasurer	Ed Cambra	01-01-22 to 12-31-23



## INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and  
Management of the Hussey-Mayfield Memorial Public Library

We have examined the Hussey-Mayfield Memorial Public Library's ("Library") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Libraries* during the period January 1, 2022 through December 31, 2023. Management of the Library is responsible for the Library's compliance with the specified requirements. Our responsibility is to express an opinion on the Library's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Library complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Library complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Library's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual for Libraries* applicable to the Library during the period January 1, 2022 through December 31, 2023, as described in findings 2023-001 through 2023-004 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the Library complied, in all material respects, with the aforementioned requirements during the period January 1, 2022 through December 31, 2023.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
September 13, 2024

HUSSEY-MAYFIELD MEMORIAL PUBLIC LIBRARY  
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS  
January 1, 2022 through December 31, 2023

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**FINDING 2023-001: ANNUAL FINANCIAL REPORT**

**Criteria:** Indiana Code 5-11-1-4(a) states, *"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. 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."*

A similar comment appeared in the prior year report (B60206).

**Condition:** During testing of Annual Financial Report (AFR) submissions, we noted three transfers between funds that were not reported on the AFR. Two of the three transfers occurred in 2022 and one occurred in 2023. As a result, 2022 receipts and disbursements were understated by \$532,000 and the 2023 receipts and disbursements were understated by \$264,000. Adjustments were proposed, accepted by management, and made to the financial statement.

**FINDING 2023-002: MISSING GATEWAY UPLOADS**

**Criteria:** The Indiana State Board of Accounts (SBOA) Directive 2018-1 states in part, " Beginning with July 2018 files, which will be due September 15, 2018, all cities, towns, townships, libraries, and special districts will use the Upload App to upload files containing financial and governmental unit information on Gateway to allow the State Board of Accounts (SBOA) to conduct audit planning and audit processes prior to on-site work at a unit. This remote process will provide for more efficient data processing and save audit costs for our clients. The Directive was amended with additional required uploads effective December 2023.

The following files and governmental unit information are required to be uploaded monthly by all units:

- Bank Reconcilements, Bank Statements, and Outstanding Check Lists
- Approved Board Minutes, please see the user guide for more information and examples
- Funds Ledger, summarizing total receipts, disbursements, and beginning and ending balances by fund

The following files and governmental unit information are required to be uploaded annually by all units:

- Year-end investment statements and register of investments
- Excel Data Capture/ Data Dump
- Detail of Receipts by fund and account
- Detail of Disbursements by fund and account
- Current year Salary Ordinance (or Schedule) and Amendments (except Schools)
- Annual Vendor History Report
- Annual Payroll History Report, without social security numbers
- Annual Funds Ledger, summarizing year-to-date total receipts, year-to-date disbursements, and beginning and ending balances by fund
- Accounts Payable/ Accounts Receivable Schedule support
- Direct Federal Grant Agreements/Award Letters and Amendments initiated during the year
- Agreements for Subawards made to Subrecipients for all Federal Grants initiated during the year
- Personnel Policy (to be uploaded in 2023 and in future years if updated)

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(Continued)

HUSSEY-MAYFIELD MEMORIAL PUBLIC LIBRARY  
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS  
January 1, 2022 through December 31, 2023

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**FINDING 2023-002: MISSING GATEWAY UPLOADS** (Continued)

**Condition:** During testing, we noted the Library did not upload the required 2023 annual Accounts Payable/Accounts Receivable Schedule support and Personnel Policy. Additionally, the Library did not upload the December 2023 Board Minutes.

**FINDING 2023-003: SCHEDULES IN ANNUAL FINANCIAL REPORT – OTHER INFORMATION**

**Criteria:** The Annual Financial Report (AFR) required under IC 5-11-1-4(a) shall be filed with the state examiner not later than sixty (60) days after the close of each fiscal year. (Accounting and Uniform Guidelines Compliance Manual for Libraries, Chapter 1)

**Condition:** 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 capital assets information entered into Gateway contained the following errors:

*Capital Assets*

The Schedule of Capital Assets was understated in the AFR by \$37,163.

**FINDING 2023-004: INTERNAL CONTROLS**

**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. . . ."*

A similar comment appeared in the prior year report (B60206).

**Condition:** During testing, we noted that the Library did not meet the minimum standards of internal control. Specifically, the Library Board did not approve two internal fund transfers in 2022. The transfers that were not approved totaled \$532,000. The transfers related to amounts transferred from the Rainy Day fund to the Lease Rental fund to make lease payments and then funds were returned to the Rainy Day fund at a later date.

HUSSEY-MAYFIELD MEMORIAL PUBLIC LIBRARY  
EXIT CONFERENCE  
January 1, 2022 through December 31, 2023

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The contents of this report were discussed on September 13, 2024, with Ed Cambra, Treasurer, Kristin Shelley, Director, and Kimberly Lane, Assistant Director of Operations.