

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

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

NORTH WEBSTER COMMUNITY PUBLIC LIBRARY

KOSCIUSKO COUNTY, INDIANA

January 1, 2023 to December 31, 2024



FILED

05/05/2025

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Amanda Dennis (interim) Keith Kuric	01-01-23 to 03-14-23 03-15-23 to 12-31-25
Treasurer	Amanda Fretz	01-01-23 to 12-31-25
President of the Library Board	Garet Becker	01-01-23 to 12-31-25



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INDIANA STATE BOARD OF ACCOUNTS

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TO: THE OFFICIALS OF THE NORTH WEBSTER COMMUNITY
PUBLIC LIBRARY, KOSCIUSKO COUNTY, INDIANA

This report is supplemental to the audit report of the North Webster Community Public Library (Library), for the period from January 1, 2023 to December 31, 2024. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the Library. It should be read in conjunction with the Financial Statement Audit Report of the Library, which provides our opinions on the Library's financial statement. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Result and Comment contained herein describes the identified reportable instance of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Audit Result and Comment, incorporated within this report, was not verified for accuracy.

Beth Kelley, CPA, CFE
Deputy State Examiner

April 23, 2025

NORTH WEBSTER COMMUNITY PUBLIC LIBRARY
AUDIT RESULT AND COMMENT

ANNUAL FINANCIAL REPORT

Condition and Context

Financial, Supplemental, 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 had not established effective internal controls over the AFR information entered into Gateway.

The Library failed to properly review the Other Information prepared and submitted in Gateway. Although one employee prepared and entered the information into Gateway, and another employee reviewed and approved the information entered, the internal control was not effective and did not detect or correct errors prior to submission, which resulted in the following error:

- The Schedule of Capital Assets presented reported capital assets of \$5,072,129, which included depreciation in the listing presented for audit.

The Library approved the omission of the Schedule of Capital Assets in the Financial Statement Audit Report of the Library.

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:

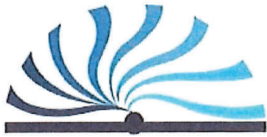
"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention 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](#)."



North Webster
Community
Public Library

OFFICIAL RESPONSE

Date: 4/23/25
Indiana State Board of Accounts
302 West Washington St. Room E418
Indianapolis, IN 46204-2765

Re:
The North Webster Community Public Library would like to respond to the result of failure to properly establish effective internal controls and failure to review the information submitted to Gateway regarding our Schedule of Capital Assets. The library completed the Annual Financial Report Capital Assets information, including reporting of depreciation, according to the instructions and training received at the time. The audit conducted in 2023 covering January 1, 2021 to December 31, 2022 did not communicate any problem in our AFR Capital Assets reporting.



Keith Kuric
Executive Director

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North Webster, IN 46555
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NORTH WEBSTER COMMUNITY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on April 23, 2025, with Keith Kuric, Director; Amy Dennis, Assistant Director; and Amanda Fretz, Treasurer.