

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

LOOGOOTEE PUBLIC LIBRARY

MARTIN COUNTY, INDIANA

January 1, 2011 to December 31, 2014



**FILED**  
12/18/2015



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Darla Wagler	01-01-11 to 12-31-15
Treasurer	Patricia Hale Brenda Edwards	01-01-11 to 12-31-13 01-01-14 to 12-31-15
President of the Board	Stephanie D. McAtee Patricia Hale	01-01-11 to 12-31-13 01-01-14 to 12-31-15



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TO: THE OFFICIALS OF THE LOGGOOTEE PUBLIC LIBRARY, MARTIN COUNTY, INDIANA

This report is supplemental to our examination report of the Loggootee Public Library (Library), for the period from January 1, 2011 to December 31, 2014. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the Library. It should be read in conjunction with our Financial Statements Examination Report of the Library, which provides our 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 performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Results and Comments contained herein describe the identified reportable instances 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 Examination Results and Comments, incorporated within this report, was not verified for accuracy.

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

September 24, 2015

LOOGOOTEE PUBLIC LIBRARY  
EXAMINATION RESULTS AND COMMENTS

***ERRORS ON CLAIMS***

A test of claims identified the following deficiencies with an error rate greater than 10 percent: Of the claims tested, 17 percent did not have adequate supporting documentation. This error resulted in \$1,235 of expenditures which did not have adequate supporting documentation.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

A similar comment appeared in prior Report B39640.

***PENALTIES, INTEREST, AND OTHER CHARGES***

The Library paid penalties, interest, and other charges to the Internal Revenue Service in the amount of \$50 during 2011, because the Library did not remit payments on a timely basis and the W-2s were submitted late.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

LOOGOOTEE PUBLIC LIBRARY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

***ANNUAL FINANCIAL REPORT***

The Annual Financial Report for 2011, which was due 60 days after the close of the fiscal year, was not filed electronically until May 1, 2012.

The following errors were noted on the Annual Financial Report for calendar years 2011, 2012, and 2013:

1. Payroll withholding transactions for 2011 and 2012, were excluded from reporting.
2. Transfers between banks of \$49,702 in 2013, were reported as transfers between funds.

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."

LOOGOOTEE PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on September 24, 2015, with Darla Wagler, Director; Patricia Hale, President of the Board; and Michelle Norris, Bookkeeper.