



**STATE OF INDIANA**  
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May 9, 2016

TO: THE OFFICIALS OF THE MIDDLETOWN - FALL CREEK TOWNSHIP  
PUBLIC LIBRARY, HENRY COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Middletown - Fall Creek Township Public Library (Library), for the period of January 1, 2012 to December 31, 2015, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Our procedures were designed solely to satisfy the requirements of Indiana Code 5-11-1. Because our procedures were not designed to opine on the Library's financial statements, we did not follow auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any basic financial statement of the Library.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Annual Financial Reports filed by the Library can be found on the Gateway website: <https://gateway.ifionline.org/>.

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

**Current Period Comments**

- *The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks for 2012, 2013, 2014, and through July of 2015. The back side or endorsement side of the checks was not returned. For August 2015 through December 2015, the front sides of the optical images of checks have not been retained.*

- *The Annual Financial Reports filed on Gateway for 2012, 2013, 2014, and 2015 did not match the Library's records as shown below. These errors have been corrected in the Annual Financial Reports filed on Gateway for 2012, 2013, 2014, and 2015.*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Library Ledger</u>	<u>Difference</u>
2012	Operating	Beginning Balance	\$ 24,715.40	\$ 24,565.40	\$ 150.00
2012	Operating	Ending Balance	28,576.85	28,426.85	150.00
2012, 2013, 2014	Lirf Cd	Beginning and Ending Balance	34,024.18	17,012.09	17,012.09
2012, 2013, 2014	Building Fund Cd	Beginning and Ending Balance	92,586.86	46,293.43	46,293.43
2013	Operating	Beginning Balance	28,576.85	28,426.85	150.00
2013	Operating	Ending Balance	26,061.26	25,911.26	150.00
2013	Grant Fund	Receipts	-	4,611.00	(4,611.00)
2013	Grant Fund	Disbursements	-	4,635.96	(4,635.96)
2013	Grant Fund	Ending Balance	2,182.28	2,157.32	24.96
2014	Operating	Beginning Balance	26,061.26	25,911.26	150.00
2014	Operating	Ending Balance	21,249.93	21,099.93	150.00
2014	Grant Fund	Beginning Balance	2,182.28	2,157.32	24.96
2015	Operating	Beginning Balance	21,249.93	21,099.93	150.00
2015	Operating	Ending Balance	10,986.04	10,836.04	150.00

This letter is intended for the information and use of the governing body and management of the Library. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The contents of this letter were discussed on March 7, 2016, with C. Maynard Powell, Chairman of Library Board; Christie Lynn Coffey, Library Board Vice President; and Teresa Dennis, Director. Any Official Response attached to this letter was not verified for accuracy.

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