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STATE OF INDIANA

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July 28, 2016

TO: THE OFFICIALS OF THE OWENSVILLE CARNEGIE PUBLIC LIBRARY, GIBSON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Owensville Carnegie Public Library (Library), for the period of January 1, 2011 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.

Unresolved Comment from Prior Report

- *Penalties, interest, and other charges were paid to the Internal Revenue Service during the review period in the amount of $284 because payments were not made on a timely basis.*

Current Period Comments

- *Payments were made for state and local taxes to the Indiana Department of Revenue (DOR) by phone on a monthly basis during the period of January 1, 2013 to December 31, 2014. Although the money was sent timely, the required reporting was not prepared and submitted to back up the monies previously sent. By not matching the amounts paid by phone to reports detailing the amounts due, an overpayment was made in the amount of $1,407 and $379 of penalties and interest were incurred. Once the library contacted the DOR and explained the situation, the over payment and penalties and interest were refunded.*

- *The financial institution did not return the actual cancelled checks or optical images with the monthly bank statements from January 1, 2014 to December 31, 2015.*

* *The Annual Financial Reports (AFR) filed for 2011, 2012, 2013, 2014, and 2015 contained a number of errors and did not match the Library's records.*

Years	Fund	Category	Amount Per AFR	Amount Per Ledger	Difference
2011	Operating	Beg. Bal.	$ 415,299.17	$ 115,038.60	$ 300,260.57
2011	LIRF	Beg. Bal.	-	64,204.84	(64,204.84)
2011	Thyra Mauck Gift Investment	Beg. Bal.	-	206,103.79	(206,103.79)
2011	Highsmith CD's	Beg. Bal.	-	25,046.93	(25,046.93)
2011	Operating	Receipts	191,967.00	214,235.66	(22,268.66)
2011	LIRF	Receipts	64,204.84	5,000.00	59,204.84
2011	Thyra Mauck Gift Investment	Receipts	231,382.20	231.48	231,150.72
2011	Donations Fund	Receipts	-	1,282.50	(1,282.50)
2011	Operating	Disb.	229,465.23	229,525.41	(60.18)
2011	LIRF	Disb.	-	5,000.00	(5,000.00)
2011	Donations Fund	Disb.	-	1,413.18	(1,413.18)
2011	Operating	End. Bal.	377,800.94	99,748.85	278,052.09
2011	Thyra Mauck Gift Investment	End. Bal.	231,382.20	206,335.27	25,046.93
2011	Donations Fund	End. Bal.	-	(130.68)	130.68
2011	Highsmith CD's	End. Bal.	-	25,046.93	(25,046.93)
2012	Operating	Beg. Bal.	404,715.95	99,618.17	305,097.78
2012	Thyra Mauck Gift Investment	Beg. Bal.	201,382.20	206,335.27	(4,953.07)
2012	Highsmith CD's	Beg. Bal.	-	25,046.93	(25,046.93)
2012	Operating	Receipts	220,334.38	313,209.27	(92,874.89)
2012	LIRF	Receipts	-	64,204.85	(64,204.85)
2012	Thyra Mauck Gift Investment	Receipts	-	249.81	(249.81)
2012	Donations Fund	Receipts	-	2,740.00	(2,740.00)
2012	Highsmith CD's	Receipts	-	25,046.93	(25,046.93)
2012	Operating	Disb.	237,561.72	322,639.52	(85,077.80)
2012	LIRF	Disb.	-	64,204.85	(64,204.85)
2012	Donations Fund	Disb.	-	1,680.00	(1,680.00)
2012	Highsmith CD's	Disb.	-	25,046.93	(25,046.93)
2012	Operating	End. Bal.	387,488.61	90,187.92	297,300.69
2012	Thyra Mauck Gift Investment	End. Bal.	171,382.20	176,585.08	(5,202.88)
2012	Donations Fund	End. Bal.	-	1,060.00	(1,060.00)
2012	Highsmith CD's	End. Bal.	-	25,046.93	(25,046.93)
2013	Operating	Beg. Bal.	387,488.61	90,187.92	297,300.69
2013	Thyra Mauck Gift Investment	Beg. Bal.	171,382.20	176,585.08	(5,202.88)
2013	Donations Fund	Beg. Bal.	-	1,060.00	(1,060.00)
2013	Highsmith CD's	Beg. Bal.	-	25,046.93	(25,046.93)
2013	Operating	Receipts	206,628.32	205,503.60	1,124.72
2013	Thyra Mauck Gift Investment	Receipts	5,331.80	128.92	5,202.88
2013	Donations Fund	Receipts	-	772.50	(772.50)
2013	Wende Harris Memorial	Receipts	-	540.00	(540.00)
2013	Operating	Disb.	217,566.91	214,848.40	2,718.51
2013	Donations Fund	Disb.	-	1,197.85	(1,197.85)
2013	Wende Harris Memorial	Disb.	-	130.00	(130.00)
2013	Payroll Withholdings	Disb.	-	(1,142.22)	1,142.22
2013	Operating	End. Bal.	376,550.02	80,843.12	295,706.90
2013	Donations Fund	End. Bal.	-	634.65	(634.65)
2013	Wende Harris Memorial	End. Bal.	-	410.00	(410.00)
2013	Highsmith CD's	End. Bal.	-	25,046.93	(25,046.93)
2013	Payroll Withholdings	End. Bal.	-	1,142.22	(1,142.22)
2014	Operating	Beg. Bal.	81,903.12	80,843.12	1,060.00
2014	Donations Fund	Beg. Bal.	-	634.65	(634.65)
2014	Wende Harris Memorial	Beg. Bal.	-	410.00	(410.00)
2014	Payroll Withholdings	Beg. Bal.	-	1,142.22	(1,142.22)
2014	Thyra Mauck Gift Investment	Receipts	91.99	103.17	(11.18)
2014	Donations Fund	Receipts	-	1,629.67	(1,629.67)
2014	Payroll Withholdings	Receipts	-	7,978.15	(7,978.15)
2014	Operating	Disb.	217,512.88	216,487.06	1,025.82
2014	Donations Fund	Disb.	-	1,661.39	(1,661.39)
2014	Wende Harris Memorial	Disb.	-	410.00	(410.00)
2014	Payroll Withholdings	Disb.	-	9,980.83	(9,980.83)
2014	Operating	End. Bal.	81,051.86	81,017.68	34.18
2014	Thyra Mauck Gift Investment	End. Bal.	176,805.99	176,817.17	(11.18)
2014	Donations Fund	End. Bal.	-	602.93	(602.93)
2014	Payroll Withholdings	End. Bal.	-	(860.46)	860.46
2015	Operating	Beg. Bal.	81,051.86	81,017.68	34.18
2015	EVT Savings	Beg. Bal.	528.48	-	528.48
2015	Thyra Mauck Gift Investment	Beg. Bal.	176,805.99	176,817.17	(11.18)
2015	Donations Fund	Beg. Bal.	-	602.93	(602.93)
2015	Payroll Withholdings	Beg. Bal.	-	(860.46)	860.46
2015	Operating	Receipts	227,056.80	313,996.68	(86,939.88)
2015	EVT Savings	Receipts	225.15	753.63	(528.48)
2015	Thyra Mauck Gift Investment	Receipts	3,069.36	3,058.18	11.18
2015	Donations Fund	Receipts	-	413.04	(413.04)
2015	Toyota Grant	Receipts	-	2,000.00	(2,000.00)
2015	Payroll Withholdings	Disb.	-	19,317.35	(19,317.35)
2015	Operating	Disb.	200,957.61	290,208.88	(89,251.27)
2015	Donations Fund	Disb.	-	425.00	(425.00)
2015	Toyota Grant	Disb.	-	981.14	(981.14)
2015	Payroll Withholdings	Disb.	-	19,317.38	(19,317.38)
2015	Operating	End. Bal.	107,151.05	104,805.48	2,345.57
2015	Donations Fund	End. Bal.	-	590.97	(590.97)
2015	Toyota Grant	End. Bal.	-	1,018.86	(1,018.86)
2015	Payroll Withholdings	Receipts	-	(860.49)	860.49

- *The following funds had overdrawn cash balances at December 31:*

Years	*Fund*	*Amount*
2011	*Donations Fund*	*$ 130.68*
2014	*Payroll Withholdings*	*860.49*
2015	*Payroll Withholdings*	*860.49*

- *Collections of fines and fees were deposited later than the next business day following the receipt of funds on the daily record of desk collections. Collections were routinely held two weeks prior to being deposited.*

- *The AFR for 2013 was not filed electronically until March 18, 2014, which was 18 days past the due date.*

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 May 25, 2016, with Margo S. English, Director; Sandra K. Edwards, Treasurer; and Jeffery K. Lutz, Board President. Any Official Response attached to this letter was not verified for accuracy.

Paul D. Joyce

Paul D. Joyce, CPA
State Examiner