

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

VERMILLION COUNTY PUBLIC LIBRARY

VERMILLION COUNTY, INDIANA

January 1, 2011 to December 31, 2016



FILED
09/29/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Pamela Hazelwood (deceased)	01-01-11 to 01-01-11
	Rita Self	01-02-11 to 03-31-11
	Misty Bishop	04-01-11 to 12-31-17
Treasurer	Denise Kern	01-01-11 to 03-31-16
	Brian Brasker	04-01-16 to 12-31-17
President of the Board	Donna Prather	01-01-11 to 12-31-11
	Dennis R. Kinderman	01-01-12 to 12-31-17



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE VERMILLION COUNTY PUBLIC
LIBRARY, VERMILLION COUNTY, INDIANA

This report is supplemental to our examination report of the Vermillion County Public Library (Library), for the period from January 1, 2011 to December 31, 2016. 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/.

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

July 31, 2017

VERMILLION COUNTY PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

ANNUAL FINANCIAL REPORTS

The Annual Financial Reports for 2011 through 2014 did not match the Library's records.

The Library understated receipts and disbursements of the General fund by \$50 and \$100,965, respectively, in 2011. The Library failed to report the transactions of the Payroll fund for 2011 and 2012. The Library failed to report the transactions of the Construction fund for 2013 and 2014. Adjustments to the financial statements were proposed and accepted by the Library officials, and made to the financial statements.

A similar comment also appeared in prior Report B40349.

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."

COMPENSATION AND BENEFITS

The compensation and benefits paid to all Library employees during the six year examination period were not included on a salary ordinance, resolution, or salary schedule. Compensation and benefits paid to these employees for the six-year examination period were \$589,310.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 1)

VERMILLION COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on July 31, 2017, with Misty Bishop, Director; Brian Brasker, Treasurer; and Dennis R. Kinderman, President of the Board.