

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

NEW CARLISLE-OLIVE TOWNSHIP PUBLIC LIBRARY

ST. JOSEPH COUNTY, INDIANA

January 1, 2013 to December 31, 2016



**FILED**  
11/30/2017



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Stephen Boggs	01-01-13 to 10-30-13
	Amy Schrock (interim)	10-31-13 to 03-30-14
	Elizabeth Baiz	03-31-14 to 07-07-17
	Amy Schrock (interim)	07-08-17 to 11-26-17
	Stephanie Murphy	11-27-17 to 12-31-17
Treasurer	Valerie Seemiller	01-01-13 to 12-31-15
	Marvin Larue	01-01-16 to 12-31-17
President of the Board	Steve Vojtko	01-01-13 to 12-31-15
	Renee Millar	01-01-16 to 12-31-16
	Carol Hesch	01-01-17 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE NEW CARLISLE-OLIVE TOWNSHIP  
PUBLIC LIBRARY, ST. JOSEPH COUNTY, INDIANA

This report is supplemental to our examination report of the New Carlisle-Olive Township Public Library (Library), for the period from January 1, 2013 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/](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 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 Examination Result and Comment, incorporated within this report, was not verified for accuracy.

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

November 28, 2017

NEW CARLISLE-OLIVE TOWNSHIP PUBLIC LIBRARY  
EXAMINATION RESULT AND COMMENT

***INTERNAL CONTROLS OVER FINANCIAL REPORTING***

The Library had not established a proper system of internal controls to prevent, or detect and correct errors on the financial statements. The Director prepared the financial statements for inclusion into the gateway portal without any oversight, review, or approval process to verify the accuracy of the information and amounts.

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. . . ."

NEW CARLISLE-OLIVE TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on November 28, 2017, with Marvin Larue, Treasurer; Renee Millar, Board Secretary; Stephanie Murphy, Director; Amy Schrock, Assistant Director (former Interim Director); and Christine Carlisle, Assistant Bookkeeper.