

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

MOORESVILLE PUBLIC LIBRARY

MORGAN COUNTY, INDIANA

January 1, 2013 to December 31, 2016



**FILED**  
12/22/2017



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Diane Huerkamp	01-01-13 to 12-31-17
Treasurer	Laura Gutzwiller Steve Saucerman	01-01-13 to 12-31-14 01-01-15 to 12-31-17
President of the Board	Ed Brizendine Lynn Adams	01-01-13 to 12-31-14 01-01-15 to 12-31-17
Business Manager	Sharon Hicks	01-01-13 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF THE MOORESVILLE PUBLIC LIBRARY, MORGAN COUNTY, INDIANA

This report is supplemental to our examination report of the Mooresville 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

December 12, 2017

MOORESVILLE PUBLIC LIBRARY  
EXAMINATION RESULT AND COMMENT

***BANK ACCOUNT RECONCILIATIONS***

Depository reconciliations of the record balances to the depository balances were not prepared for 30 of the 48 months of the examination period. The 18 monthly depository reconciliations completed and presented for examination included varying unreconciled differences. In addition, the Library did not provide outstanding check lists in support of the depository reconciliations. Upon request, the Library created an outstanding check lists as of December 31 for each year.

Cursory bank reconciliations were performed at December 31 for each year of the examination period. The adjusted bank balances in these cursory bank reconciliations exceeded the record balances each year as follows: \$15,501 as of December 31, 2013; \$16,986 as of December 31, 2014; \$14,654 as of December 31, 2015; and \$9,464 as of December 31, 2016.

A similar comment also appeared in prior Report B43035, entitled *BANK ACCOUNT RECONCILIATIONS*.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."



December 17, 2017

On behalf of the Board and administrators of the Mooresville Public Library, we extend our gratitude for the services (audit) performed by the Indiana State Board of Accounts.

At the Exit Interview, Sharon Coopriider shared the results of the 2013-2016 Audit. Included was the Bank Account Reconciliation during the period 2013-2015.

After reviewing this comment, it was determined that Banyon, our accounting system's reports were a challenge for our Business Manager and Fiscal Auditor to create and then to understand. Our Business Manager did make several visits to another library that uses Banyon, but their bookkeeper had retired and all the reports had been created by that retired staffer. Their new bookkeeper does not know how to create the reports. Thus that was not beneficial. Our Business Manager contacted Banyon help desk, but they were unable to explain and assist.

1. We hired a Financial Auditor in January of 2014.
2. The Board adopted an Internal Controls policy on June 6, 2016.
3. All employees and Library Board of Trustees viewed and signed that they viewed and understand the Internal Controls policy.
4. Since 2014, our bank accounts have been reconciled by two employees, the Business Manager and the Fiscal Auditor.

We will implement:

1. Additional Banyon training for the Business Manager on the reports and it is the goal of the Business Manager to comprehend the Banyon Financial Statements to ensure that each month our accounts balance Banyon and bank statements.
2. Continue the two-employee monthly reconciliation.
3. The Executive Director will receive a monthly report of the bank account reconciliation.

Cordially,

Diane Huerkamp, MLS  
Executive Director

220 West Harrison Street  
Mooresville, IN 46158 USA  
(317)831-7323  
(317) 831-7383  
[www.mooresvillelib.org](http://www.mooresvillelib.org)

MOORESVILLE PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on December 12, 2017, with Steve Saucerman, Treasurer; Laura Gutzwiller, former Treasurer; Don Stultz, Library Board member; and Sharon Hicks, Business Manager.