

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

COMPLIANCE REPORT  
OF  
LAWRENCEBURG PUBLIC LIBRARY DISTRICT  
DEARBORN COUNTY, INDIANA  
January 1, 2015 to December 31, 2018



**FILED**  
09/12/2019



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Transmittal Letter .....	3
Other Information - Unaudited:	
Schedule of Cash and Investment Balances - Regulatory Basis .....	6
Results and Comments:	
Condition of Records .....	7
Annual Financial Report .....	7
Investments .....	8-9
Bank Account Reconciliations .....	9
Exit Conference.....	10

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Barbara B. Bonney	01-01-15 to 12-31-19
Treasurer	Margaret Kleier Georgeann Doan	01-01-15 to 04-15-18 04-16-18 to 12-31-19
President of the Library Board	Pat Ritzmann Dan Toon Linda Lyness Don Siemers	01-01-15 to 12-31-15 01-01-16 to 12-31-17 01-01-18 to 12-31-18 01-01-19 to 12-31-19



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE LAWRENCEBURG PUBLIC LIBRARY  
DISTRICT, DEARBORN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Lawrenceburg Public Library District (Library), Dearborn County, for the period of January 1, 2015 to December 31, 2018, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Results and Comments contained herein describe the identified reportable instances of non-compliance 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.

The Schedule of Cash and Investment Balances - Regulatory Basis, as listed in the Table of Contents, is presented as other information. It has not been subjected to any auditing procedures and, accordingly, we do not express an opinion or provide any assurance on it.

Any Official Response to the Results and Comments, incorporated within this report, was not verified for accuracy.

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

July 29, 2019

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#### OTHER INFORMATION - UNAUDITED

The Library's Annual Financial Reports information can be found on the Indiana Gateway for Government Units (Gateway) website: <https://gateway.ifionline.org/>. The schedule presented herein is presented as other information and is derived from the Library's Annual Financial Reports information and has not been subjected to any audit procedures. No adjustments have been made to the information as reported in Gateway and, as such, balances may differ.

LAWRENCEBURG PUBLIC LIBRARY DISTRICT  
 SCHEDULE OF CASH AND INVESTMENT  
 BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2018

Fund	Cash and Investments 12-31-18
Operating Fund	\$ 1,016,052
Rdf	1,094,942
State Technology Grants	2,036
Lirf	936,925
Gift Fund	60,421
Ludlow Memorial Fund	41,727
Restricted Gift #1	<u>1,730</u>
Totals	<u>\$ 3,153,833</u>

LAWRENCEBURG PUBLIC LIBRARY DISTRICT  
RESULTS AND COMMENTS

**CONDITION OF RECORDS**

The General Ledger did not provide sufficient information to verify balances. Beginning and ending ledger balances were not provided to verify the beginning and ending financial statement balances for January 1, 2015 to December 31, 2018.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 1)

**ANNUAL FINANCIAL REPORT**

A similar comment also appeared in prior Report B46058.

The Annual Financial Report (AFR) for 2015, 2016, 2017, and 2018 contained a number of errors, and did not properly reflect the financial activity of the Library. The following schedule shows, by fund and category, the differences between the Indiana Gateway for Government Units (Gateway) financial reporting system reported amounts and the Library Ledger:

Years	Fund	Category	Amount Per Gateway	Amount Per Ledger	Difference
2015	Operating	Receipts	\$ 1,508,794	\$ 1,466,876	\$ 41,918
2015	Lirf	Receipts	14,226	4,226	10,000
2015	Operating	Disbursements	1,494,099	1,455,409	38,690
2015	Lirf	Disbursements	39,240	19,240	20,000
2016	Rdf	Receipts	140,261	65,261	75,000
2016	Operating	Disbursements	1,633,831	1,558,830	75,001
2017	Rdf	Receipts	702,126	-	702,126
2017	Lirf	Receipts	43,749	9,249	34,500
2017	Operating	Disbursements	1,662,349	1,550,060	112,289
2017	Birf	Disbursements	1,243,266	612,000	631,266
2018	Operating	Receipts	1,763,210	1,789,835	(26,625)
2018	Lirf	Receipts	34,500	-	34,500
2018	Operating	Disbursements	1,648,442	1,613,943	34,499

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](#)."

LAWRENCEBURG PUBLIC LIBRARY DISTRICT  
RESULTS AND COMMENTS  
(Continued)

**INVESTMENTS**

A similar comment also appeared in prior Report B46058.

Investment amounts were reported on the AFR; however, they were not recorded on the ledger as of December 31 for the following years:

Years	Fund	Amount
2015	Ludlow Memorial	\$ 36,000
2015	Lirf	675,000
2016	Ludlow Memorial	36,000
2016	Lirf	675,000
2017	Ludlow Memorial	36,000
2017	Lirf	675,000
2018	Ludlow Memorial	36,000
2018	Lirf	675,000

Indiana Code 5-13-9-4(b) states:

"The investing officer making a deposit in a certificate of deposit shall obtain quotes of the specific rates of interest for the term of that certificate of deposit that each designated depository will pay on the certificate of deposit. Quotes may be solicited and taken by telephone. A memorandum of all quotes solicited and taken shall be retained by the investing officer as a public record of the political subdivision under [IC 5-14-3](#). If the deposit is not placed in the designated depository quoting the highest rate of interest, the investing officer shall:

- (1) place the deposit in the depository quoting the second or third highest rate of interest; and
- (2) note the reason for placing the deposit on the memorandum of quotes."

Indiana Code 5-13-9-2.5 states in part:

"(a) An officer designated in section 1 of this chapter may invest or reinvest funds that are held by the officer and available for investment in investments commonly known as money market mutual funds that are in the form of securities of or interests in an open-end, no-load, management-type investment company or investment trust registered under the provisions of the federal Investment Company Act of 1940, as amended (15 U.S.C. 80a et seq.). . . .

(c) The portfolio of an investment company or investment trust described in subsection (a) must be limited to the following:

- (1) Direct obligations of the United States.
- (2) Obligations issued by any of the following:
  - (A) A federal agency.

LAWRENCEBURG PUBLIC LIBRARY DISTRICT  
RESULTS AND COMMENTS  
(Continued)

(B) A federal instrumentality.

(C) A federal government sponsored enterprise.

(3) Repurchase agreements full collateralized by obligations described in subdivision (1) or (2). . . ."

Investments can only be made in accordance with statutory guidelines. Losses and expenses related to any unauthorized investments and unauthorized investment procedures may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 1)

***BANK ACCOUNT RECONCILIATIONS***

Depository reconciliations of the bank account balances were conducted; however, the adjusted bank balance was not compared to the ending fund balance during the compliance period, January 1, 2015 to December 31, 2018.

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."

LAWRENCEBURG PUBLIC LIBRARY DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on July 29, 2019, with Barbara B. Bonney, Director; Georgeann Doan, Treasurer; and Don Siemers, President of the Library Board.