

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, 2017 to December 31, 2018



FILED
09/30/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Diane Huerkamp	01-01-17 to 12-31-19
Treasurer	Steve Saucerman Don Stultz	01-01-17 to 12-31-18 01-01-19 to 12-31-19
President of the Library Board	Lynn Adams Steve Oschman	01-01-17 to 12-31-17 01-01-18 to 12-31-19
Business Manager	Sharon Hicks	01-01-17 to 12-31-19



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

This report is supplemental to our audit report of the Mooresville Public Library (Library), for the period from January 1, 2017 to December 31, 2018. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the Library. It should be read in conjunction with our Financial Statement Audit Report of the Library, which provides our opinion on the Library's financial statement. 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 Audit 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 Audit Result and Comment, incorporated within this report, was not verified for accuracy.

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

August 5, 2019

MOORESVILLE PUBLIC LIBRARY
AUDIT RESULT AND COMMENT

BANK ACCOUNT RECONCILIATIONS

A similar comment also appeared in prior Report B49237, entitled *BANK ACCOUNT RECONCILIATIONS*.

Depository reconciliations of the record balances to the depository balances were not prepared for two of the Library's bank accounts for all months of the audit period. The monthly reconciliations completed and presented for the other bank accounts included varying, unreconciled differences.

The adjusted bank balances in the bank reconciliations exceeded the record balances by \$23,094 as of December 31, 2017, and \$24,443 as of 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."



August 12, 2019

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, Audra Dailey shared the results of the 2017-2018 audits. Included was the reoccurring Bank Account Reconciliation during the period of 2017-2018.

After reviewing this comment, it was determined that the plan we implemented in 2017-2018 did not correct the reporting issues experienced by our Business Manager and Fiscal Auditor.

View of Responsible Official:

The Mooresville Public Library does not agree with the repeat finding identified. Upon the findings in the 2015-2016 audits I have:

1. Hired a fiscal auditor to do monthly bank reconciliations- this has been done and documented.
2. Have had a least 1 additional training session for our business manager and fiscal auditor with the accounting software vendor since migration to Banyon.
3. I arranged to have the business manager and fiscal auditor meet with another public library's bookkeeper who uses Banyon accounting software.
4. There have been many, many calls to Banyon IT support, but they haven't proven to help with issues of reports.
5. We implemented Internal Controls policy.


I have been assured by the business manager and fiscal auditor that the Mooresville Public Library reconciles monthly to the bank statements and that the Banyon reports are not accurate in how they process data for output.

The Executive Director has filed a detailed **Corrective Action Plan that is on file with the Indiana State Board of Account.**

Our **Corrective Action Plan** includes:

1. To correct the reoccurring issue.
2. I have already contacted State Library to ask if they had any recommendations for accounting software.
3. Executive Director has already contacted H J Umbaugh & Associates in Indianapolis to secure a quote for a fiscal review of our accounts.
4. Per SBOA auditors, the business manager is conducting an internal audit using an Excel spreadsheet to do a manual bookkeeping entry.
5. Executive Director will participate in the reconciliation process.
6. Executive Director and business manager will keep the Board abreast of the issue.

Cordially,


Diane Huerkamp, MLS
Executive Director

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You're very welcome!

MOORESVILLE PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on August 5, 2019, with Diane Huerkamp, Director; Steve Saucerman, Vice President of the Board of Trustees; Don Stultz, Treasurer; and Sharon Hicks, Business Manager.