



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

April 7, 2022

TO: THE OFFICIALS OF THE GOODLAND - GRANT TOWNSHIP
PUBLIC LIBRARY, NEWTON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Goodland - Grant Township Public Library (Library), Newton County, for the period of January 1, 2016 to December 31, 2020, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Library's Annual Financial Reports filed by management can be found on the Gateway Website: www.gateway.ifionline.org.

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Comments

BANK ACCOUNT RECONCILIATIONS

Condition and Context

Depository reconciliations of the fund balances to the bank account balances were conducted; however, the December 31, 2020 reconciliation did not balance. As a result, the ending cash and investments ledger balance was \$12,553 less than the adjusted bank balance (cash long).

In addition, the Library had not conducted complete bank reconciliations of all depository accounts, including certificates of deposit, to the ending cash and investments balance reported in the Annual Financial Report.

Criteria

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."

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)

COMPENSATION AND BENEFITS

Condition and Context

The Library had not provided an annual salary resolution or ordinance, Board minutes, or other documentation setting and approving the salaries of Library officers and employees during the engagement period.

In addition, total salaries and wages paid to the Library Director in 2017 exceeded the budgeted disbursements for that position by \$8,350.

Criteria

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)

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

The Schedule of Cash and Investment Balances - Regulatory Basis, 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.

SCHEDULE OF CASH AND INVESTMENT
BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2020

Fund	Cash and Investments 12-31-20
GENERAL FUND	\$ 99,382
RAINY DAY	89,177
LEVY EXCESS FUND	1
LIBRARY IMPROVEMENT RESERVE FUND	131,950
DONATIONS & GIFTS	7,297
BUILDING RESTORATION	2,588
MITTEN TRUST FUND	<u>332,036</u>
Total	<u>\$ 662,431</u>

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

The contents of this report were communicated to Stephen R. McNelly, Director, and Candice Krug, Treasurer, on March 17, 2022.

Respectfully,



Beth Kelley, CPA, CFE
Deputy State Examiner