



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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May 17, 2022

To: The Officials of the Fortville-Vernon Township Public Library  
Fortville-Vernon Township Public Library  
625 E Broadway  
Fortville, IN 46040

This report is supplemental to the audit report of Fortville-Vernon Township Public Library (Library), for the period January 1, 2017 to December 31, 2020. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the Library. It should be read in conjunction with the financial statement audit report of the Library, which provides an 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 engaged private examiners under our review to perform the audit of the Library and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

We have reviewed the Supplemental Audit Report for Fortville-Vernon Township Public Library prepared by Crowe LLP, Independent Public Accountants, for the period January 1, 2017 to December 31, 2020. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

We call your attention to the findings in the report on page 3.

The report is filed with this letter in our office as a matter of public record.

Handwritten signature of Tammy R. White in cursive.

Tammy R. White, CPA  
Deputy State Examiner

**COMPLIANCE EXAMINATION OF  
Fortville-Vernon Township Public Library**

Hancock County, Indiana  
January 1, 2017 to December 31, 2020

FORTVILLE-VERNON TOWNSHIP PUBLIC LIBRARY  
Hancock County, Indiana  
January 1, 2017 to December 31, 2020

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FORTVILLE-VERNON TOWNSHIP PUBLIC LIBRARY  
SCHEDULE OF OFFICIALS (Unaudited)  
December 31, 2017, 2018, 2019, and 2020

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	(Vacant)	10-16-20 to 12-31-20
	Karyn Millikan	10-21-19 to 10-15-20
	(Vacant)	09-11-19 to 10-20-19
	Kristen Edwards	09-04-18 to 09-10-19
	(Vacant)	07-01-18 to 09-03-18
	Richard Bell	01-01-17 to 06-30-18
Treasurer	Gale Ann Jacobi	01-01-17 to 12-31-20
President of the Board	Ashley Jenkins	10-21-20 to 12-31-20
	Ashley Stout	06-17-20 to 10-20-20
	Susan Highley	01-22-20 to 06-16-20
	Clyde Hall	01-16-19 to 01-21-20
	Ashley Jenkins	07-18-18 to 01-15-19
	Alyson Zelencik	01-17-18 to 07-17-18
	Susan Highley	01-01-17 to 01-16-18

## INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and  
Management of Fortville-Vernon Township Public Library

We have examined Fortville-Vernon Township Public Library's ("Library") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual for Libraries* during the period January 1, 2017 to December 31, 2020. Management of the Library is responsible for the Library's compliance with the specified requirements. Our responsibility is to express an opinion on the Library's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Library complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Library complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual for Libraries* during the period January 1, 2017 to December 31, 2020, as described in items 2020-001 and 2020-002 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the Library complied, in all material respects, with the aforementioned requirements during the period January 1, 2017 to December 31, 2020.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
May 12, 2022

FORTVILLE-VERNON TOWNSHIP PUBLIC LIBRARY  
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS  
January 1, 2017 to December 31, 2020

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**FINDING 2020-001: INTERNAL CONTROLS**

**Criteria:** 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, *Accounting and Uniform Compliance Guidelines Manual for Libraries*. All libraries 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."*

**Condition:** During testing, we noted that the Library did not meet the minimum standards of internal control. Specifically, the review and approval of the monthly bank account reconciliations was not documented.

**FINDING 2020-002: MISSING ANNUAL AND MONTHLY UPLOADS**

**Criteria:** The Indiana State Board of Accounts (SBOA) Directive 2018-1 states in part, " Beginning with July 2018 files, which will be due September 15, 2018, all cities, towns, townships, libraries, and special districts will use the Upload App to upload files containing financial and governmental unit information on Gateway to allow the State Board of Accounts (SBOA) to conduct audit planning and audit processes prior to on-site work at a unit. This remote process will provide for more efficient data processing and save audit costs for our clients.

The following files and governmental unit information are required to be uploaded monthly by all units:

- Bank Reconcilements, Bank Statements, and Outstanding Check Lists
- Approved Board Minutes (please see the user guide for more information and examples)
- Funds Ledger, summarizing total receipts, disbursements, and beginning and ending balances by fund

The following files and governmental unit information are required to be uploaded annually by all units:

- Year-end Investment Statements
- Detail of Receipts for the year
- Detail of Disbursements for the year
- Current year Salary Ordinance (or Schedule) and Amendments (except Schools)
- Annual Vendor History Report
- Annual Payroll History Report, without social security numbers
- Annual Funds Ledger, summarizing year-to-date total receipts, year-to-date disbursements, and beginning and ending balances by fund

**Condition:** During testing we noted that required uploads were not completed during the audit period. The Library did not submit:

- 1) Any required annual uploads for the years under audit.
  - 2) Monthly funds ledger or the approved board minutes during 2017, 2018 and 2019.
  - 3) Bank reconcilements, bank statements and outstanding checks lists for various months during 2020.
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FORTVILLE-VERNON TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE  
January 1, 2017 to December 31, 2020

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The contents of this report were discussed on May 12, 2022, with Melissa Dragoo, Director, Catherine Witsman, Treasurer, and Gale Jacobi, Business Manager.