

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

COMPLIANCE REPORT

OF

AURORA PUBLIC LIBRARY DISTRICT

DEARBORN COUNTY, INDIANA

January 1, 2015 to December 31, 2018



FILED
12/10/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Mary Alice Horton Margaret Dean	01-01-15 to 01-02-18 01-03-18 to 12-31-19
Treasurer	Angela Burkhardt	01-01-15 to 12-31-19
Chairman of the Library Board	Benjamin Turner	01-01-15 to 12-31-19



STATE OF INDIANA
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TO: THE OFFICIALS OF THE AURORA 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 Aurora 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 Result and Comment 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 Result and Comment, incorporated within this report, was not verified for accuracy.

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

November 25, 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.

AURORA 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
General	\$ 2,270,834
Rainy Day	1,494,625
Library Improvement Reserve	1,786,613
Gift	716,620
Grants General	1
Postage	2
State Technology Fund Grant	<u>3,762</u>
 Total	 <u><u>\$ 6,272,457</u></u>

AURORA PUBLIC LIBRARY DISTRICT
RESULT AND COMMENT

FUNDS SOURCES AND USES

Condition and Context

Upon retirement of the prior Library Director at December 31, 2017, the Library paid a portion of the Director's accrued leave time in the amount of \$100,617 from the Library Improvement Reserve fund.

Criteria

Indiana Code 36-12-3-11(a)(4) states:

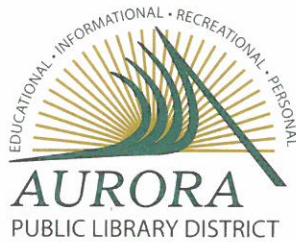
"Money or securities may be accumulated in any library improvement reserve fund to anticipate necessary future capital expenditures, such as:

- (A) the purchase of land;
- (B) the purchase and construction of buildings or structures;
- (C) the construction of additions or improvements to existing structures;
- (D) the purchase of equipment; and
- (E) all repairs or replacement of buildings or equipment."

Sources and uses of funds must be limited to those authorized by the enabling law, ordinance/resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 1)

AURORA PUBLIC LIBRARY DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on November 25, 2019, with Margaret Dean, Director; Angela Burkhardt, Treasurer; and Benjamin Turner, Chairman of the Library Board.



414 Second Street • Aurora, IN 47001 • Office:(812) 926-1433 • Library: (812) 926-0646

December 4, 2019

Indiana State Board of Accounts
302 West Washington Street
Indianapolis, Indiana 46204-2765

Subject: Official Response to Audit

In December of 2017, the Director of the Aurora Public Library District submitted her resignation following an extended illness. During her 35-year term as Director, she had accrued a large amount of paid time off which was payable upon her retirement.

At the December 2017 meeting of the Aurora Public Library District Board of Trustees, the Director's resignation was accepted. Faced with the need to finance a considerable retirement package, the decision was made to use funds from both the Rainy Day Fund and the Library Improvement Reserve Fund (LIRF). Since establishing these two funds, the Board has kept the two funds approximately equal in value, and the decision was made in an effort to maintain that balance.

The Aurora Public Library District Library Board has been made aware that LIRF funds are designated for capital expenses and will work during 2020 to restore this money to the LIRF account.

Sincerely,

Margaret H. Dean
Margaret H. Dean, Director
Aurora Public Library District
(812) 926-0646