Augusta Public Library
Augusta, Kansas

Report on Agreed-Upon Procedures

December 31, 2022

REGIER CARR & MONROE, LLP, CPAs

Augusta Public Library
Augusta, Kansas

Report on Agreed-Upon Procedures

December 31, 2022

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Trustees
Augusta Public Library, Augusta, Kansas

We have performed the procedures as referenced in the *Kansas Municipal Audit and Accounting Guide* (KMAAG), and reflected in the attached supplement, which were agreed to by the Board of Trustees and management of Augusta Public Library, Augusta, Kansas, a component unit of the City of Augusta, Kansas, on the compliance requirements of KMAAG for the year ended December 31, 2022. Augusta Public Library's management is responsible for the Augusta Public Library's records in accordance with KMAAG requirements.

Augusta Public Library has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of fulfilling the requirements outlined in the agreed-upon-procedures of the KMAAG. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and findings are described in the attached supplement.

We were engaged by Augusta Public Library to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the records in accordance with KMAAG requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Augusta Public Library and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of Augusta Public Library, Board of Trustees and regulatory authorities, and is not intended to be and should not be used by anyone other than these specified parties.

May 25, 2023
Wichita, Kansas

Regier Carr & Monroe LLP

REGIER CARR & MONROE LLP, CPAs
300 WEST DOUGLAS AVE, SUITE 900, WICHITA, KANSAS 67202-2914 P 316-264-2335 F 316-264-1489
PO BOX 847, EL DORADO, KANSAS 67042-0847 P 316-321-1150 F 316-264-1489
WWW.RCMLLP.COM
EL DORADO I MCALESTER I TUCSON I TULSA I WAGONER I WICHITA

SUPPLEMENT TO REPORT ON AGREED-UPON PROCEDURES
AUGUSTA PUBLIC LIBRARY
AGREED-UPON PROCEDURES AND FINDINGS

1. We tied the Augusta Public Library's (Municipality) total cash per books at year end to source documents which included an inspection of the bank reconciliations for the last month of the year.

   Of the three cash accounts, two agreed to the reconciliations and/or bank statements without exception. The petty cash fund reported, per the general ledger, was $14.95 less than the amount reported on the supporting summary of amounts counted (total cash on hand) as of December 31, 2022.

2. We reconciled the year-end cash balance as shown on the Statement of Cash Receipts and Cash Disbursements to: 1) demand deposits at the Municipality's official depository, 2) time deposits at the Municipality's official depository, 3) investments in U.S. Treasury bills; and other cash/investment accounts.

   No findings were noted during procedures.

3. We used the last bank statement of the year to compare total deposits in excess of FDIC insurance to securities pledged to secure the excess deposits, as evidenced by joint custody receipts.

   All deposits in excess of FDIC insurance as of December 31, 2022 were adequately covered by pledged securities.

4. For the last bank statement of the year, we compared the name of the depository institution to an entry in the official minutes that designates the institution as the Municipality's official depository.

   We compared the name of the depository institution to documentation signed by two board members designating the Municipality's official depository. The bank statements and documentation agreed without exception.

5. We selected two months and traced interest income from the bank statements to the Municipality's cash receipts records.

   Of the two months selected, interest income from the bank statements for both months agreed to the accounting records.

6. We selected two separate months and traced non-mail cash receipts from the receipt book to the bookkeeping records. We determined if the receipts were properly recorded. For the same two months, we traced bookkeeping entries for cash receipts to the bank statement to determine if receipts are deposited intact and on a timely basis.

   For the 24 cash receipts occurring in the two months selected, all were properly recorded and deposited intact and on a timely basis.

7. We selected approximately ten percent of the non-payroll cash disbursements and traced disbursements from the bookkeeping records to the: related invoice, bank statement, and canceled check.

   We selected 33 cash disbursements which represented 10.77% of non-payroll cash disbursements and all agreed to supporting documentation, bank statements, and canceled checks.

8. We selected one month to compare the disbursements as recorded in the check register to an entry in the official minutes that approved the disbursements.

   The Municipality's policy is for the Board of Trustees to approve nonrecurring expenditures over $1,000. Of the 35 disbursements occurring in the month selected, no approval was required according to the Municipality’s policy.

9. We inspected evidence of selected encumbrances and accounts payable and determined if they had been properly stated in the financial statements as of the end of the year. Evidence of encumbrances included unpaid purchase orders and contracts. Evidence of accounts payable included unpaid invoices and receiving reports.

   Of the eight invoices selected, eight were properly stated in the financial statements as of December 31, 2022. Of the six payroll related payables, six were properly stated in the financial statements as of December 31, 2022.

10. We inspected the credit card policy and internal controls of the Municipality. For a minimum of two months, we inspected the Municipality’s credit card transactions to determine if approvals, expenditure procedures, and proper classification of expenditures were followed. The following describes the credit card procedure, if the credit card procedures and internal controls are being followed, and if the Municipality’s credit cards are only in the name of the Municipality.

    The Credit Card Policy for the Municipality is as follows: The Municipality maintains three credit card accounts through the bank and one card through a local store. The cards are used for purchases from online vendors like Amazon, for meal expenses or travel expenses at library sanctioned meetings and for local purchases of programming needs. The VISA cards are held by the library director, the youth services supervisor and the adult services specialist; the Wal-Mart card is held by the library director. The director’s card has a $1,000 limit, the youth services supervisor has a $500 limit, and the adult services specialist has a $300 limit. Each of these staff members is responsible for maintaining accurate records of credit card purchases. The receipts are given to the library director to match with the credit card statement. The credit card balance is paid in full each month to avoid incurring interest charges.

Two months of credit card statements were viewed. All receipts were attached to the credit card statements. No exceptions were found with testing procedures and compliance with internal controls. All credit cards had credit limits consistent with the policy.

The three credit card accounts have the staff member's name along with the Municipality's name. The store card is in the Municipality's name only.

11. We viewed selected payroll records for a minimum of one month and determined that proper deductions and employer contributions are being remitted.

    For the month selected, all deductions for the 9 employees appear to be calculated and withheld appropriately and remitted timely. Of the 5 employer contributions, 5 contributions appear to be calculated in accordance with the supporting information and remitted timely.

12. For the last month of the year, we viewed the payroll records for each employee and determined if a deduction for KPERS (Kansas Public Employees Retirement System) was made.

    We noted all eligible employees had a deduction for KPERS for the last month of the year.

13. We compared the following items in the current year financial statement to the same items in the prior year financial statement to determine if there was a variance of more than 25% per fund: 1) total cash receipts, 2) total cash disbursements, 3) encumbrances and accounts payable, and 4) ending unencumbered cash balance. For variances larger than 25%, we examined the variance and documented and reported on the reason.

    In the Capital Improvement Fund, the cash receipts decreased 100% and cash disbursements increased 100% due to the purchase of ADA door openers and a transfer to the General Fund of $20,000. In the General Fund, encumbrances and accounts payable decreased by 34%. At December 31, 2021, there was an encumbrance for equipment and furnishings that did not recur during the current year. The remaining variances were less than 25% per fund.

14. We selected two months and viewed the Municipality's month-end statement of cash receipts and cash disbursements and determined that the ending unencumbered cash balance is greater than or equal to zero.

    We selected two months and observed the unencumbered cash balance was greater than zero.

15. We selected two months and viewed the official minutes and determined that the minutes have been signed by the chairperson of the Board of Trustees.

    For the two months selected we read the minutes and noted minutes were signed by the secretary and the president.

16. We viewed the Municipality's surety (fidelity) bonds and determined that all employees and officers entrusted with funds or property are covered by such a bond.

    We observed a surety bond was in effect for the one notary public employee for notary public errors and omissions for the year ended December 31, 2022.

17. We viewed the general and entity specific compliance checklists.

    We completed the Kansas Regulatory Compliance Checklist for all Municipalities from KMAAG. One instance of noncompliance was corrected during the year. In January and February 2022, cash balances were in excess of the FDIC limit. The library began maintaining security pledges for excess balances in March 2022.

EL DORADO	115 S. MAIN ST., STE 103	EL DORADO, KS 67042-3403	316-321-1150
McALESTER	517 E. CHEROKEE AVE.	McALESTER, OK 74501-5335	918-426-1234
TUCSON	4801 E. BROADWAY BLVD., STE. 501	TUCSON, AZ 85711 -3648	520-624-8229
TULSA	4200 E. SKELLY DR., STE. 560	TULSA, OK 74135-3209	918-271-5400
WAGONER	509 S. MCQUARRIE AVE.	WAGONER, OK 74467-6223	918-485-5531
WICHITA	300 W. DOUGLAS AVE., STE. 900	WICHITA, KS 67202-2994	316-264-2335