

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF ALBION

NOBLE COUNTY, INDIANA

January 1, 2019 to December 31, 2022



**FILED**  
11/29/2023



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Transmittal Letter .....	3
Clerk-Treasurer:	
Audit Result and Comment:	
Accounting of the IFA Administered CRF Money .....	6-7
Exit Conference .....	8

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Carol A. Selby	01-01-19 to 12-31-23
President of the Town Council	Vicki E. Jellison	01-01-19 to 12-31-23
Water Superintendent	Terry L. Forker	01-01-19 to 12-31-23
Wastewater Superintendent	Terry L. Forker	01-01-19 to 12-31-23



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF ALBION, NOBLE COUNTY, INDIANA

This report is supplemental to the audit report of the Town of Albion (Town), for the period from January 1, 2019 to December 31, 2022. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the Town. It should be read in conjunction with the Financial Statements Audit Report of the Town, which provides our opinions on the Town'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 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.

Beth Kelley, CPA, CFE  
Deputy State Examiner

November 21, 2023

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CLERK-TREASURER  
TOWN OF ALBION

CLERK-TREASURER  
TOWN OF ALBION  
AUDIT RESULT AND COMMENT

**ACCOUNTING OF THE IFA ADMINISTERED CRF MONEY**

*Condition and Context*

The Town did not properly account for the Coronavirus Relief Fund (CRF) in accordance with the State Examiner Directive 2020-3.

The Town did not properly establish a separate CARES grant fund for the CRF grant that followed the uniform chart of accounts. The Town established fund 264, entitled CARES Provider Relief fund, for reimbursements received from the Indiana Finance Authority (IFA). However, fund number 264 and the CARES Provider Relief fund name were reserved for a different specified CARES purpose.

During 2021, a reimbursement for public safety awareness expenditures was received in the amount of \$6,094. Expenditures were then made without appropriation directly from the fund for media and advertising costs. The money should have been claimed to the General fund which would have allowed it to be expended for any general unit purpose with appropriation.

*Criteria*

**Each local unit of government that receives an allocation from the Coronavirus Relief Fund administered by IFA shall establish a separate CARES grant fund with a fund number consistent with memorandum *Accounting and Appropriation of COVID-19 Grants, April 29, 2020* (updated September 29, 2020).**

**All Reimbursements received from IFA shall be receipted into a separate CARES grant fund that is specific to IFA reimbursements.**

**Reimbursed Public Health and Safety Payroll Costs**

Transactions for public health and safety payroll costs must be accounted for through one of these two prescribed options.

**Option One.** Reimbursements received from IFA shall be receipted into the separate CARES grant fund. The reimbursed amount for public health and safety payroll costs originally incurred in the general fund (or other fund) will be moved to the separate CARES grant fund through a reversing entry. This action will reinstate the general fund (or other fund) cash balance and re-appropriate the general fund (or other fund) in a similar manner to IC 6-1.1-18-9(1) for those disbursements. This reversal must be done in the same budget year that the original transaction was posted.

Once the disbursement is reversed within the general fund (or other fund), it must be posted as a disbursement in the separate CARES grant fund. Documentation must be maintained so the audit trail can be followed. The accounting system must tie the original claim for the disbursement to the separate CARES grant fund by specific reference or notation in a comment section. . . .

CLERK-TREASURER  
TOWN OF ALBION  
AUDIT RESULT AND COMMENT  
(Continued)

**Option Two.** Reimbursements received from IFA shall be receipted into the separate CARES grant fund. A claim will be created against the separate CARES grant fund for the reimbursed amount in favor of the general fund. This claim must be supported by documentation of the public health and safety payroll costs that have been expensed from the general fund or other funds.

The amount of the claim will be receipted into the general fund cash balance. Normal appropriation procedures will apply to these funds. . . .

(State Examiner Directive 2020-3)

To properly track assistance from the Provider Relief Fund, use the following Fund Number and Name: . . .

Cities and Towns Fund Number and Name

264 CARES Provider Relief Fund . . .

(Cares Act Fund Numbers memorandum dated April 20, 2020)

In our memo dated April 20, 2020, counties and cities/towns received a specific fund number assigned for CARES Act Provider Relief (CARES) distribution specifically related to Medicare fee-for service. The guidance, including fund number and name, should still be followed.

We have since been made aware of several other types of direct assistance being distributed as part of CARES, such as for transit and airport.

We are also aware that the State has awarded grants and is possibly awarding more grants. . . .

In anticipation of several separate funds being necessary, the following fund numbering system should be followed: . . .

Cities/Towns: 150-175 . . .

(Accounting and Appropriation of COVID-19 Grants memorandum dated April 29, 2020 (updated September 29, 2020))

CLERK-TREASURER  
TOWN OF ALBION  
EXIT CONFERENCE

The contents of this report were discussed on November 21, 2023, with Carol A. Selby, Clerk-Treasurer; Jacob Ihrle, Town Manager; and Vicki E. Jellison, President of the Town Council.