

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF DECKER

KNOX COUNTY, INDIANA

January 1, 2012 to December 31, 2016



**FILED**  
09/07/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Robin L. Lindsay	01-01-12 to 12-31-19
President of the Town Board	Patricia Doades	01-01-12 to 12-31-12
	Louis Schultz	01-01-13 to 12-31-13
	Patricia Doades	01-01-14 to 12-31-14
	Christopher L. Ritchie	01-01-15 to 12-31-15
	Jay B. Linneweber	01-01-16 to 12-31-16
	Patricia Doades	01-01-17 to 12-31-17
Superintendent of Water Utility	Earl Horst	01-01-12 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF DECKER, KNOX COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Decker (Town), for the period from January 1, 2012 to December 31, 2016. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the Town. It should be read in conjunction with our Financial Statements Examination Report of the Town, which provides our opinion 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 Examination 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 Examination Results and Comments, incorporated within this report, was not verified for accuracy.

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

July 19, 2017

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CLERK-TREASURER  
TOWN OF DECKER

CLERK-TREASURER  
TOWN OF DECKER  
EXAMINATION RESULT AND COMMENT

**INTERNAL CONTROLS**

Internal controls over the financial close and reporting were insufficient because the Town did not have sufficient segregation of duties. The Clerk-Treasurer performed all duties regarding closing the year-end financial information and reporting, and there was no indication of a review process to verify the information was accurate.

A similar comment appeared in prior Report B41695.

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, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions 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. . . ."

CLERK-TREASURER  
TOWN OF DECKER  
EXIT CONFERENCE

The contents of this report were discussed on July 19, 2017, with Robin L. Lindsay, Clerk-Treasurer; Patricia Doades, President of the Town Council; Jay B. Linneweber, Town Council member; and Christopher L. Ritchie, Town Council member.