

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF DUBLIN

WAYNE COUNTY, INDIANA

January 1, 2012 to December 31, 2017



FILED

10/06/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Julie A. McCarty	01-01-12 to 12-31-19
President of the Town Council	Larry Russell Nathan Ulerick Patricia Finley	01-01-12 to 10-08-12 10-09-12 to 12-31-14 01-01-15 to 12-31-18
Superintendent of Utilities	Lloyd Davis	01-01-12 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF DUBLIN, WAYNE COUNTY, INDIANA

This report is supplemental to our audit report of the Town of Dublin (Town), for the period from January 1, 2012 to December 31, 2017. 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 our Financial Statements Audit Report of the Town, which provides our opinion on the Town's financial statements. This report may be found at 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.

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

August 28, 2018

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CLERK-TREASURER
TOWN OF DUBLIN

CLERK-TREASURER
TOWN OF DUBLIN
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

There were deficiencies in the internal control system of the Town related to financial transactions and reporting:

Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the Town to reduce risks to the achievement of financial reporting objectives. The Town had not separated incompatible activities related to receipts and financial close and reporting. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

Receipts: One individual was responsible for issuing, recording, and depositing receipts. There was no control in place, such as an oversight, review, or approval process to ensure receipts were properly recorded and deposited.

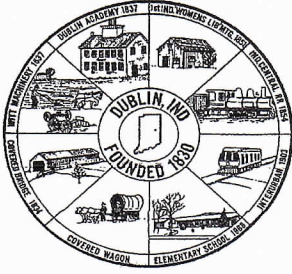
Financial Close and Reporting: One individual prepared and submitted the Annual Financial Report information in Gateway. There was no control in place, such as an oversight, review, or approval process, to ensure the information submitted was accurate.

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. . . ."



Town of Dublin

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OFFICE HOURS:

1st - 15TH OF EACH MONTH MON-FRI 9-12/1-3 SAT 9-12

16th - END OF MONTH MON 1 WED 9-12/1-3 TUES 1 THURS 1 SAT 9-12

CLOSED ALL SUNDAYS AND FRIDAYS END OF MONTH.

September 4, 2018

State Board of Accounts

Official Business

302 West Washington St. Rm. 418

Indianapolis, IN 46204-2765

RE: Town of Dublin Comments

To Whom It May Concern,

In accordance with our 2012-2017 audit period, deficiencies in our New Internal Controls Policy were noted. Our Internal Controls policy was very limited, mostly due to only two employees in the office. Prior to our Exit Conference, we ask for suggestions and Town Officials have implemented changes to our Internal Control Policy as a corrective measure. The Dublin Town Officials would like to insure that our policies are as open and transparent as legally possible and strive to make positive decisions to insure we are able to adhere to this goal.

Sincerely,


Julia A McCarty

Dublin Town Clerk-Treasurer

CLERK-TREASURER
TOWN OF DUBLIN
EXIT CONFERENCE

The contents of this report were discussed on August 28, 2018, with Julie A. McCarty, Clerk-Treasurer, and Larry Walters, Town Council member.