

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF DEMOTTE

JASPER COUNTY, INDIANA

January 1, 2015 to December 31, 2018



FILED
09/16/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Margaret Michelin	01-01-12 to 12-31-19
President of the Town Council	Mark Boer Jeffrey Cambe	01-01-15 to 12-31-16 01-01-17 to 12-31-19



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF DEMOTTE, JASPER COUNTY, INDIANA

This report is supplemental to our audit report of the Town of DeMotte (Town), for the period from January 1, 2015 to December 31, 2018. 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 Results and Comments contained herein describe the identified reportable instances 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 Results and Comments, incorporated within this report, was not verified for accuracy.

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

July 31, 2019

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TOWN COUNCIL
TOWN OF DEMOTTE

TOWN COUNCIL
TOWN OF DEMOTTE
AUDIT RESULT AND COMMENT

TRAINING ON INTERNAL CONTROL STANDARDS

The Town did not provide documentation that all required personnel had received the required internal control training.

The Town Council, Town Manager, Office Manager, and all other required personnel had indicated that they completed the training over internal control standards, as required by Indiana Code 5-11-1-27(g), but there was no documentation to ensure the training was completed.

Indiana Code 5-11-1-27(g) states:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that:

- (1) the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; and
- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

TOWN COUNCIL
TOWN OF DEMOTTE
EXIT CONFERENCE

The contents of this report were discussed on July 31, 2019, with Alana Bauman, Town Council member; Margaret Michelin, Clerk-Treasurer; Heather Tokarz, Town Manager; and Donna Shear, Office Manager.

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CLERK-TREASURER
TOWN OF DEMOTTE

CLERK-TREASURER
TOWN OF DEMOTTE
AUDIT RESULT AND COMMENT

CERTIFICATION OF INTERNAL CONTROL STANDARDS

The Town failed to document training for all personnel over the internal control standards adopted as required by Indiana Code 5-11-1-27(g). The Town certified on Indiana Gateway for Government Units financial reporting system that the Town had provided employees with internal control training.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

CLERK-TREASURER
TOWN OF DEMOTTE
EXIT CONFERENCE

The contents of this report were discussed on July 31, 2019, with Alana Bauman, Town Council member; Margaret Michelin, Clerk-Treasurer; Heather Tokarz, Town Manager; and Donna Shear, Office Manager.