

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

COMPLIANCE REPORT
OF
INDEPENDENCE FIRE PROTECTION DISTRICT
MADISON COUNTY, INDIANA
January 1, 2019 to December 31, 2019



FILED
01/05/2021

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Audit Result and Comment: Internal Controls	4
Official Response	5-6
Exit Conference.....	7

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Financial Officer	William Beeler	01-01-19 to 12-31-20
Chair of the District Board	Laura Beeler	01-01-19 to 12-31-20



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF THE INDEPENDENCE FIRE PROTECTION
DISTRICT, MADISON COUNTY, INDIANA

The Independence Fire Protection District (District) is considered a component unit of Madison County (County) under accounting principles generally accepted in the United States of America. The District's financial information was audited as part of the County's financial statements for the period from January 1, 2019 to December 31, 2019. The Financial Statements Audit Report of the County, which provides our opinions on the County's financial statements and which includes the District's financial information, 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 for the District. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

The District's Annual Financial Report information can be found on the Indiana Gateway for Government Units financial reporting system website: <https://gateway.ifionline.org> and has not been subjected to any audit procedures.

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

December 15, 2020

INDEPENDENCE FIRE PROTECTION DISTRICT
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS

Condition and Context

The District's Financial Officer completed the monthly bank reconciliements without a documented oversight, review, or approval process in place.

Criteria

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. . . ."

Independence Fire Protection District of the town of Woodlawn Heights, Indiana

As a result of the Audit done on our entity ending on December 15, 2020, we have created and are implementing a new form to verify the monthly bank reconciliation.

A copy of this form is included.

Thank you,

A handwritten signature in black ink, appearing to read 'William Beeler', with a long horizontal flourish extending to the right.

William Beeler

Financial Officer

MONTHLY BANK RECONCILMENT VERIFICATION

DATE _____

The month end bank statement balance is _____

The month end ledger balance is _____

Outstanding items: _____

Approved By:

INDEPENDENCE FIRE PROTECTION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on December 15, 2020, with William Beeler, Financial Officer, and Laura Beeler, Chair of the District Board.