



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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January 27, 2022

TO: THE OFFICIALS OF THE TOWN OF YEOMAN, CARROLL COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Town of Yeoman (Town), Carroll County, for the period of January 1, 2016 to December 31, 2020, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Town's Annual Financial Reports filed by management can be found on the Gateway Website: www.gateway.ifionline.org.

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Comments

TRAINING AND CERTIFICATION OF INTERNAL CONTROLS STANDARDS

Condition and Context

The Town personnel whose official duties included receiving, processing, depositing, disbursing, or otherwise having access to funds that belonged to the Town, had not received training over internal control standards during 2016, 2017, 2018, 2019, and 2020, that were developed or approved by the Indiana State Board of Accounts.

The Town certified on Indiana Gateway for Government Units financial reporting system that all personnel defined by Indiana Code 5-11-1-27(c) had received training concerning the internal control standards adopted by the Town; however, during the engagement, the Town indicated that all personnel had not received training concerning the internal control standards during 2016, 2017, 2018, and 2019.

Criteria

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

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

- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

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

"The state examiner shall require from every audited entity 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](#)."

MVH RESTRICTED FUND

Condition and Context

The Town did not follow State Examiner Directive 2018-2 regarding the Motor Vehicle Highway (MVH) fund and MVH sub-fund. The Town did not create the required MVH Restricted fund within its financial records, nor did they post 50 percent of the MVH distributions directly to the sub-fund in 2019 or 2020.

Criteria

Indiana Code 8-14-1-5(c) states: "For funds distributed to a city or town from the motor vehicle highway account, the city or town shall use at least fifty percent (50%) of the money for the construction, reconstruction, and preservation of the city's or town's highways."

On the chart of accounts, the MVH Fund and MVH Restricted sub-fund shall be shown as follows:

...

Cities and Towns

Fund 201 MVH
Fund 203 MVH Restricted

Together, MVH and MVH Restricted shall constitute the total MVH Fund. MVH and MVH Restricted will be shown separately on the Annual Financial Report and Annual Operational Report.

Starting on January 1, 2019, the political subdivision must post at the time of receipt of the distribution from the State Motor Vehicle Highway Account fifty percent (50%) of the distribution to MVH Restricted.

The political subdivision, by ordinance or resolution, may elect to allocate more than fifty percent (50%) of the distributions to the MVH Restricted. . . . (State Examiner Directive 2018-2)

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

The Schedule of Cash and Investment Balances - Regulatory Basis, is presented as other information. It has not been subjected to any auditing procedures, and, accordingly, we do not express an opinion or provide any assurance on it.


SCHEDULE OF CASH AND INVESTMENT
BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2020

Fund	Cash and Investments 12-31-20
General	\$ 28,639
Mvh	57,749
Lrs	4,174
Rainy Day	8,633
Cedit	8,205
Community Center	2,186
Donations	394
Parks	99
Cci	4,369
Total	<u>\$ 114,448</u>

Any Official Response to the Comments, incorporated within this report, was not verified for accuracy.

The contents of this report were communicated to Peggy Braden, Clerk-Treasurer, and Patrick Marley, Town Council member, on January 20, 2022.

Respectfully,


Paul D. Joyce, CPA
State Examiner

Town of Yeoman
210 N. Railroad Ave.
Yeoman, In 47997

OFFICIAL RESPONSE

Date: January 23,2022

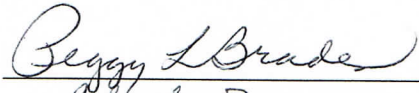
Indiana State Board Of Accounts
302 W Washington St Room E 418
Indianapolis, In 46204-2765

Re: Audit

We will get the fund for MVH restricted set up and start using as of January 2022.

We will redo the certification for Internal controls within our Town Council.

Thank You,
Peggy L Braden
Clerk-Treasurer



Clerk-Treasurer