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**MEMORANDUM**

**TO:** All Public Libraries  
**FROM:** Tammy White, CPA, Deputy State Examiner  
**SUBJECT:** Internal Control Documentation of Policies and Training  
**DATE:** November 17, 2022

This memorandum is to provide clarification of the required documentation for libraries to satisfy the internal control requirements under IC 5-11-1-27 and the Uniform Compliance Guidelines. This guidance is maintained on the Indiana State Board of Accounts website at [www.IN.gov/sboa/political\\_subdivisions/libraries/](http://www.IN.gov/sboa/political_subdivisions/libraries/). The information contained herein is not a change in requirements. It is merely a clarification based on discussion at the workshop hosted by the Indiana State Library on November 10, 2022.

IC 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."

The statute above does not specifically state the nature of the documentation from the legislative body that is required to support the body's efforts to ensure personnel receive training concerning the internal control standards and procedures in IC 5-11-1-27(g)(2) above. Therefore, during an audit for compliance with this provision we will be requesting any documentation you may have of the board's efforts. We recommend you retain written evidence of the legislative body's actions in the form of either: (1) an annual certification by the body ensuring the required personnel received training concerning the internal control standards and procedures adopted by the political subdivision; or (2) mention of the assurance required in IC 5-11-1-27(g)(2) within the minutes of the legislative body's meeting each year where training concerning internal controls were discussed.

The documentation for IC 5-11-1-27(g)(2) above is separate from the requirement in IC 5-11-1-27(h) that requires similar certification by the fiscal officer within the annual financial report submitted in Gateway. I am providing that reference below for your review.

IC 5-11-1-27(h) states:

"After June 30, 2016, the fiscal officer of a political subdivision shall certify in writing that:

- (1) the minimum internal control standards and procedures defined under subsection (e) have been adopted by the political subdivision; and
- (2) personnel, who are not otherwise on leave status, have received training as required by subsection (g)(2).

The certification shall be filed with the state board of accounts at the same time as the annual financial report required by section 4(a) of this chapter is filed. The certification shall be filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

This memorandum is not inclusive of all provisions of the internal control policies and training requirements. Please visit the website or contact us at [Libraries@sboa.in.gov](mailto:Libraries@sboa.in.gov) if you would like complete information or available materials regarding compliance with internal control requirements.

