



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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May 30, 2014

TO: THE OFFICIALS OF TROY TOWNSHIP, FOUNTAIN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Troy Township (Township), for the period of January 1, 2010 to December 31, 2013, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Our procedures were designed solely to satisfy the requirements of Indiana Code 5-11-1. Because our procedures were not designed to opine on the Township's financial statements, we did not follow *generally accepted auditing standards*. Accordingly, we do not express an opinion on any basic financial statement of the Township.

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 Township's Annual Financial Reports filed for years prior to 2011 can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/. For years 2011 and later, the Annual Financial Reports filed by the Township can be found on the Gateway website: <https://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.

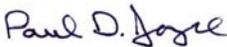
Current Period Comments

- *Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation contained errors OR did not balance. The outstanding check list was not accurate.*
- *The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The back side or endorsement side of the checks was not returned.*
- *The Township did not adopt a resolution establishing salaries of Township officers and employees.*
- *Payments made for mowing in 2010 were not supported by a written contract.*

- *The Township paid \$4,875 of compensation per year for the years 2010, 2011, 2012, and 2013 in advance of the actual date the services were provided. This was for the Trustee and the Clerk.*
- *Township Board members were paid without the Township withholding federal, state, and local taxes.*
- *W-2s were not issued for Township Board members.*
- *The Certified Report of Names, Addresses, and Compensation of Public Employees (Form 100-R or its equivalent) was incomplete. It did not include the salary of the Township Assistance Investigator.*
- *Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5.*
- *The Township did not have a Nepotism Policy for 2012 or 2013.*
- *The Township did not have a Contracting Policy for 2012 or 2013.*

This letter is intended for the information and use of the governing body and management of the Township. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The contents of this letter were discussed on April 24, 2014, with Troy M. Stewart, Trustee.


Paul D. Joyce, CPA
State Examiner