



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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June 2, 2014

TO: THE OFFICIALS OF INDIAN CREEK TOWNSHIP, LAWRENCE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Indian Creek 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 not presented for examination for 37 of 48 months during the examination period. As of December 31, 2013, the bank account reconciliation identified a cash (short) in the amount of \$3.95.*
- *The records presented for examination indicated the Fire Fighting fund had expenditures in excess of budgeted appropriations in 2012.*

<u>Year</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2012	Fire Fighting	<u>\$ 1,381</u>

- *The Township did not adopt a resolution establishing salaries of Township officers and employees.*
- *The Township Board members were paid without the Township withholding federal, state, and local taxes in 2011 and 2012. The Township issued 1099's instead of W2's for 2011 and 2012 to the Township Board members.*
- *Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. Payments were made to Office Depot, Post Office, and Verizon that did not have supporting documentation.*
- *Township Assistance Standards were not presented for examination for 2010. They were presented for 2011 but there was no indication they were updated for 2012 and 2013 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 and 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 16, 2014, with Ruth A. Godsey, Trustee.


Paul D. Joyce, CPA
State Examiner