



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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July 1, 2014

TO: THE OFFICIALS OF PIERCE TOWNSHIP, WASHINGTON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Pierce 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

- *Bank reconcilements were performed monthly and the bank balance reconciled with the ledger balance of the Total All Funds; however, the "Total All Funds" balance did not balance to the individual fund balances. The Total All Funds balance as of December 31, 2013, was \$185,909.07 and the ledger balance of the individual funds totaled \$185,043.40, resulting in a variance of \$866.03.*
- *The Annual Financial Report filed contained a number of errors and did not properly reflect the financial activity of the Township.*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Township Ledger</u>	<u>Difference</u>
2011	Township	Beginning balance	\$ 69,834.17	\$ 69,833.72	\$ (0.45)
2011	Township	Receipts	25,320.59	25,200.30	(120.29)
2011	Township Assistance	Receipts	6,029.89	6,028.90	(0.99)
2011	Fire Fighting	Receipts	19,617.76	19,597.94	(19.82)
2011	Cumulative Fire	Receipts	10,394.68	10,362.63	(32.05)
2011	Township	Disbursements	19,256.46	20,780.81	1,542.35
2011	Township Assistance	Disbursements	6,394.84	5,794.84	(600.00)
2011	Township	Ending balance	75,898.30	74,253.66	(1,644.64)
2011	Township Assistance	Ending balance	13,662.62	14,212.62	550.00
2012	Township	Beginning balance	75,898.30	74,253.66	(1,644.64)
2012	Township Assistance	Beginning balance	13,662.62	14,212.62	550.00
2012	Cumulative Fire	Beginning balance	56,880.98	58,696.98	1,816.00
2012	Township	Receipts	27,799.13	27,552.10	(247.03)
2012	Township	Ending balance	78,561.71	76,670.04	(1,891.67)
2012	Township Assistance	Ending balance	15,939.06	16,489.06	550.00
2012	Cumulative Fire	Ending balance	42,754.13	44,570.13	1,816.00
2013	Township	Beginning balance	78,561.71	76,670.04	(1,891.67)
2013	Township Assistance	Beginning balance	15,939.06	16,489.06	550.00
2013	Cumulative Fire	Beginning balance	42,754.13	44,570.13	1,816.00
2013	Township	Receipts	29,331.37	28,456.64	(865.73)
2013	Township Assistance	Receipts	6,121.19	6,123.60	2.41
2013	Township	Disbursements	26,172.57	25,299.55	(873.02)
2013	Township	Ending balance	81,720.51	78,963.11	2,757.40
2013	Township Assistance	Ending balance	16,112.04	16,662.04	550.00
2013	Cumulative Fire	Ending balance	49,177.11	50,993.11	1,816.00

- The records presented for review showed the following disbursements in excess of budgeted appropriations:

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2010	Township	\$ 6,562.88
2011	Township	580.81
2012	Cumulative Fire	5,432.81

- The Township Trustee did not certify in writing that he had not violated Indiana Code 36-1-20.2 (Nepotism) and Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 2012, and December 31, 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 May 21, 2014, with Dennis R. Fleming, Sr., Trustee.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner