



STATE OF INDIANA
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B43955

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July 29, 2014

TO: THE OFFICIALS OF RICHLAND TOWNSHIP, JAY COUNTY, INDIANA

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

Unresolved Comments From Prior Reports

- The Annual Financial Reports filed on Gateway for 2011, 2012, and 2013 contained errors and did not reflect the financial activity of the Township as shown in the table below:

Year	Fund	Category	Amount Per Gateway	Amount Per Township Ledger	Difference
2011	Township	Beginning balance	\$ 299,536.52	\$ 149,768.26	\$ 149,768.26
2011	Township Assistance	Beginning balance	180,562.24	90,281.12	90,281.12
2011	Fire Fighting	Beginning balance	43,326.84	21,663.42	21,663.42
2011	Rainy Day	Beginning balance	9,076.16	4,538.08	4,538.08
2011	Federal Revenue Sharing Trust	Beginning balance	13,127.32	6,563.66	6,563.66
2011	Township	Ending balance	287,484.66	137,716.40	149,768.26
2011	Township Assistance	Ending balance	175,427.48	85,146.07	90,281.41
2011	Fire Fighting	Ending balance	46,219.06	24,555.64	21,663.42

Year	Fund	Category	Amount Per Gateway	Amount Per Township Ledger	Difference
2011	Rainy Day	Ending balance	9,076.16	4,538.08	4,538.08
2011	Federal Revenue Sharing Trust	Ending balance	13,127.32	6,563.66	6,563.66
2012	Township	Beginning balance	275,432.80	137,716.40	137,716.40
2012	Township Assistance	Beginning balance	170,292.14	85,146.07	85,146.07
2012	Fire Fighting	Beginning balance	49,111.28	24,555.64	24,555.64
2012	Rainy Day	Beginning balance	9,076.16	4,538.08	4,538.08
2012	Federal Revenue Sharing Trust	Beginning balance	13,127.32	6,563.66	6,563.66
2012	Township	Ending balance	263,199.75	125,483.35	137,716.40
2012	Township Assistance	Ending balance	172,412.33	87,266.26	85,146.07
2012	Fire Fighting	Ending balance	51,750.68	27,195.04	24,555.64
2012	Rainy Day	Ending balance	9,076.16	4,538.08	4,538.08
2012	Federal Revenue Sharing Trust	Ending balance	13,127.32	6,563.66	6,563.66
2013	Township	Beginning balance	250,966.70	125,483.35	125,483.35
2013	Township Assistance	Beginning balance	174,532.52	87,266.26	87,266.26
2013	Fire Fighting	Beginning balance	54,390.08	27,195.04	27,195.04
2013	Rainy Day	Beginning balance	9,076.16	4,538.08	4,538.08
2013	Federal Revenue Sharing Trust	Beginning balance	13,127.32	6,563.66	6,563.66
2013	Township	Receipts	5,670.64	5,777.24	(106.60)
2013	Township	Ending balance	236,910.97	111,534.22	125,376.75
2013	Township Assistance	Ending balance	183,518.66	96,252.40	87,266.26
2013	Fire Fighting	Ending balance	56,694.19	29,499.15	27,195.04
2013	Rainy Day	Ending balance	9,076.16	4,538.08	4,538.08
2013	Federal Revenue Sharing Trust	Ending balance	13,127.32	6,563.66	6,563.66

- Receipts were not properly posted to the Township Ledger. During the review period 18 different tax distributions from Jay County were posted to an incorrect fund. The total posted to the Township Assistance fund that should have been posted to the Township fund was \$5,802.27, and the total posted to the Township Assistance fund that should have been posted to the Fire Fighting fund was \$483.85.

Current Period Comments

- The Township did not adopt a resolution establishing salaries of Township officers and employees.
- Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 2012 and 2013.
- The Township did not have a Contracting Policy for 2012 or 2013.
- Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 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 23, 2014, with David L. Champ, Trustee


Paul D. Joyce, CPA
State Examiner