



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B44009

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

August 5, 2014

TO: THE OFFICIALS OF WHISKEY RUN TOWNSHIP, CRAWFORD COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Whiskey Run 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 Comment from Prior Report

- *Employees of the Township were paid without the Township withholding federal, state, and local taxes for 2010, 2011, 2012, and 2013.*

Current Period Comments

- *Depository reconciliations of the fund balances to the bank account balances were not presented for review for 47 months during the review period.*
- *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 were not returned.*

- *The Annual Financial Report filed on Gateway for 2012 contained a number of errors and did not properly reflect the financial activity of the Township.*

<u>Year</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Ledger</u>	<u>Difference</u>
2012	Township Assistance	Receipts	\$ 5,147.96	\$ 6,405.73	\$ (1,257.77)
2012	Township Assistance	Disbursements	4,785.00	4,890.92	(105.92)
2012	Township Assistance	End Balance	2,927.43	3,899.28	(971.85)
2012	Rainy Day	Disbursements	-	168.68	(168.68)
2012	Rainy Day	End Balance	168.68	-	168.68

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

<u>Year</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2010	Township	<u>\$ 827.80</u>

- *The Township did not adopt a resolution establishing salaries of Township officers and employees for 2010, 2011, 2012, and 2013. Form 17 (Resolution Establishing Salaries of Township Officers and Employees) has been prescribed for this purpose.*
- *W-2s were not issued for any Township employees.*
- *Township assistance payments were made without an Application for Township Assistance on file. No applications were presented for review.*
- *Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5-1.*
- *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 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 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 June 9, 2014, with Terry L. Stroud, Trustee. The Trustee for nearly the entire period covered by this report was Ronald W. Spencer, who passed away on November 25, 2013.

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