



STATE OF INDIANA
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B44074

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August 18, 2014

TO: THE OFFICIALS OF STEEN TOWNSHIP, KNOX COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Steen Township (Township), for the period of January 1, 2011 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 2011 and later 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

- *Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation contained errors or did not balance. As of December 31, 2013, the bank account reconciliation identified a cash long in the amount of \$12,329.32. A similar comment was made in Report B39320.*

Current Period Comments

- *The Annual Financial Report filed on Gateway for 2011 and 2012 contained a number of errors and did not properly reflect the financial activity of the Township.*

<u>Years</u>	<u>Fund</u>	<u>(Beg Bal, Receipt, Disb, End Bal) Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Township Ledger</u>	<u>Difference</u>
2011	Township	Beg Bal	\$ 83,193.38	\$ 88,422.41	\$ (5,229.03)
2011	Township Assistance	Beg Bal	16,515.67	17,021.67	(506.00)
2011	Rainy Day	Beg Bal	7,205.41	7,903.41	(698.00)
2011	Levy Excess	Beg Bal	199.27	675.27	(476.00)
2011	Township	Receipt	28,771.17	24,068.18	4,702.99
2011	Township Assistance	Receipt	2,357.96	1,851.96	506.00
2011	Rainy Day	Receipt	698.00	-	698.00
2011	Levy Excess	Receipt	476.00	-	476.00
2011	Township	Disb	32,862.69	43,056.09	(10,193.40)
2011	Township Assistance	Disb	2,940.00	2,192.40	747.60
2011	Township	End Bal	79,101.86	69,421.29	9,680.57
2011	Township Assistance	End Bal	15,933.63	17,047.98	(1,114.35)
2012	Levy Excess	Disb	675.27	-	675.27
2012	Township	End Bal	88,414.45	88,349.65	64.80

- 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>
2011	Township	<u>\$ 4,181.09</u>

- The Township paid penalties, interest, and other charges to the Internal Revenue Service in the amount of \$96.27 because the Township did not remit payments on a timely basis.
- 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 June 23, 2014, with Shelly McCrary, Trustee.

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