



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

B44083

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](http://www.in.gov/sboa)

August 18, 2014

TO: THE OFFICIALS OF LOGAN TOWNSHIP, DEARBORN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Logan 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/](http://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 Report***

- *The prior report reported depository reconciliations of the fund balances to the bank account balance were not performed which resulted in posting errors and mathematical errors going undetected.*

*During the review period, depository reconciliations of the fund balances to the bank account balances were not presented for review for 48 months. In a comparison of the ledger transactions to the bank transactions it was noted that the prior review errors were not corrected and there were additional posting and mathematical errors in the current review period. As of December 31, 2013, the bank account reconciliation identified cash necessary to balance in the amount of \$89.27.*

- *As reported in the prior report, the Township does not use Township Form 17, Resolution Recommending Salaries of Township Officers and Employees.*

Resolutions establishing salaries of Township officers and employees were not presented for review for 2010, 2011, 2012, and 2013. Form 17 (Resolution Establishing Salaries of Township Officers and Employees) has been prescribed for this purpose.

- As reported in the prior report, W-2s were not issued to all Township officials and employees and officials and employees of the Township were paid without the Township withholding federal, state, and local taxes.

W-2s were also not issued to Township Board members for 2010, 2011, 2012, and 2013. Officials and employees of the Township were paid without the Township withholding federal, state, and local taxes for 2010, 2011, 2012, and 2013.

### Current Period Comments

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


<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2010	Township Assistance	\$ 489.83
2011	Township Assistance	340.58
2012	Township	1,958.82
2013	Township Assistance	123.33

- Payments made to Bright Volunteer Fire Department in 2010 and to New Trenton Volunteer Fire Department in 2012 for fire protection were not supported by a written contract.
- Payments made for fire protection did not comply with the amount in the written contract as follows.
  - In 2010, the New Trenton Volunteer Fire Department was paid less than the contracted amounts;
  - In 2011, the New Trenton Volunteer Fire Department and the Miller-York Volunteer Fire Department were paid less than the contracted amount. The Bright Volunteer Fire Department contract did not state a contracted amount;
  - In 2012, the Bright Volunteer Fire Department contract did not state a contracted amount. The Miller-York Volunteer Fire Department was paid less than the contracted amount; and
  - In 2013, the New Trenton Volunteer Fire Department contract did not state a contracted amount.
- The Township did not have the required meeting to review and adopt the Annual Report in accordance with Indiana Code 36-6-6-9 for 2011, 2012, and 2013.
- The Township did not have a Nepotism Policy for 2012 or 2013.
- 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 December 31, 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 December 31, 2013.*
- *The Township did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the Indiana State Board of Accounts for 2010 and 2011. The reports were filed on May 5, 2011, and April 26, 2012, which is 93 and 85 days, respectively, past the due date.*

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 August 7, 2014, with Myrtle M. White, Trustee.

  
Paul D. Joyce, CPA  
State Examiner