



STATE OF INDIANA
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B44239

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October 1, 2014

TO: THE OFFICIALS OF CLARK TOWNSHIP, PERRY COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Clark 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 were incorrect and did not accurately reflect the financial transactions of the Township during the prior review period.*

The Annual Financial Report filed on Gateway for 2011, 2012, and 2013 contained 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 Ledger</u>	<u>Difference</u>
2011	Township	Receipts	\$ 9,738.31	\$ 10,248.74	\$ (510.43)
2012	Township	Receipts	12,596.73	11,216.18	1,380.55
2012	Township	End. Balance	61,759.29	60,815.75	943.54
2013	Township	Beg. Balance	61,759.29	60,815.75	943.54
2013	Township	End. Balance	66,812.45	65,983.40	829.05

Current Period Comments

- *Depository reconciliations of the fund balances to the bank account balances were not presented for review for any months during the review period. Based on the information obtained from the Trustee, there were no bank reconcilements completed.*
- *As of December 31, 2013, the bank account reconciliation performed identified cash long in the amount of \$1,011.99.*
- *Receipts were not properly posted to the Township Ledger. Receipts from various sources were posted as a total making it difficult to trace them from individual sources, and they were not correctly posted to the individual funds.*
- *Receipts were deposited later than the first and fifteenth of the month. There were many instances of COIT receipts which were received monthly being deposited once every two months.*
- *Resolutions establishing salaries of Township officers and employees were not presented for review for 2010, 2011, and 2012. Form 17 (Resolution Establishing Salaries of Township Officers and Employees) has been prescribed to assist in documentation purposes.*
- *Employees of the Township were paid without the Township withholding federal, state, and local taxes.*
- *W-2s were not issued to Township employees.*
- *Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5-1.*
- *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.*
- *The Township did not have a Contracting Policy for 2012 and 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.*
- *An Annual Financial Report for 2010 was not filed with the State Examiner until May 17, 2011, which was 78 days past the due date.*
- *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 August 16, 2011, and March 23, 2012, which were 197 days and 51 days past the due date, respectively.*

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 15, 2014, with Jeffrey A. Paulin, Trustee.


Paul D. Joyce, CPA
State Examiner