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B44255

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)

October 2, 2014

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

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

***Current Period Comments***

- *Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation contained errors or did not balance. Investment amounts were not included in the fund balances on the ledger.*
- *The Annual Financial Report filed on Gateway for 2011, 2012, and 2013 contained a number of errors and did not properly reflect the financial activity of the Township.*

Years	Fund	Beginning Balance, Receipt, Disbursements, Ending Balance		Amount Per Gateway	Amount Per Township Ledger	Difference
		Category				
2011	Township	Beginning balance		\$ 37,636.06	\$ 32,587.95	\$ (5,048.11)
2011	Township	Ending balance		30,057.94	25,072.33	(4,985.61)
2011	Township Assistance	Beginning balance		27,140.54	2,140.54	(25,000.00)
2011	Township Assistance	Ending balance		28,132.27	3,035.77	(25,096.50)
2012	Township	Beginning balance		30,057.94	25,009.83	(5,048.11)
2012	Township	Ending balance		30,946.00	26,453.00	(4,493.00)
2012	Township	Disbursements		17,037.86	16,482.72	(555.14)
2012	Township Assistance	Beginning balance		28,132.27	3,035.77	(25,096.50)
2012	Township Assistance	Receipt		11,533.57	16,533.57	(5,000.00)
2012	Township Assistance	Ending balance		29,872.54	9,872.54	(20,000.00)
2013	Township	Beginning balance		30,946.00	25,897.84	(5,048.16)
2013	Township	Receipt		14,892.34	29,892.34	15,000.00
2013	Township	Disbursements		15,052.39	35,052.39	20,000.00
2013	Township	Ending balance		30,785.95	20,737.84	(10,048.11)
2013	Township Assistance	Beginning balance		29,872.54	9,872.54	(20,000.00)
2013	Township Assistance	Disbursements		6,581.73	11,581.73	5,000.00
2013	Township Assistance	Ending balance		34,576.72	9,576.72	(25,000.00)
2013	Fire Fighting	Disbursements		31,037.86	36,037.86	5,000.00
2013	Fire Fighting	Ending balance		30,048.41	25,048.41	(5,000.00)

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


Years	Fund	Excess Amount	
			Disbursed
2011	Township	\$	6,634.01
2011	Fire Fighting		123.00
2011	Fire Debt		44.70
2013	Township		11,452.39
2013	Fire Fighting		7,037.86

- The Township did not adopt a resolution establishing salaries of Township officers and employees for the review period.
- The Annual Report for 2013 was not filed with the State Examiner until March 4, 2014, which was 2 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 2011. The report was filed on February 6, 2012, which is six days past the due date.
- W-2s were not presented for review.
- Compensation paid to employees was not in accordance with the approved salary budget line item. The Trustee was overpaid by \$10 in 2012.
- Employees of the Township were paid without the Township withholding federal, state, and local taxes.
- The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was incomplete for 2012. Records indicated that the Trustee was also paid as Township Assistance Investigator and that amount was not reported on the Form 100-R.

- *Receipts were deposited later than the first and fifteenth of the month. We found 11 out of 56 receipts reviewed were deposited later than the first and fifteenth of the corresponding month.*
- *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.*
- *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.*
- *The Township paid penalties, interest, and other charges to the Internal Revenue Service and Indiana Department of Revenue in the amount of \$96.90 in 2011 because the Township did not remit payments on a timely basis.*
- *Township assistance payments were made without an Application for Township Assistance on file. Application and supporting documentation was not presented for review for one Township assistance payment.*

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 July 28, 2014, with Sara Kixmiller, Trustee.

  
Paul D. Joyce, CPA  
State Examiner