



STATE OF INDIANA
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October 16, 2014

TO: THE OFFICIALS OF FAIRFIELD TOWNSHIP, FRANKLIN COUNTY, INDIANA

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

- *The Annual Financial Report filed on Gateway for 2011, 2012, and 2013 contained numerous errors and did not properly reflect the financial activity of the Township. The differences are listed below:*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Township Ledger</u>	<u>Difference</u>
2011	Township	Beginning Balance	\$ 48,660.17	\$ 48,601.41	\$ 58.76
2011	Fire Fighting	Beginning Balance	9,209.15	7,413.50	1,795.65
2011	Levy Excess	Beginning Balance	-	33.82	(33.82)
2011	Township	Receipts	9,283.65	10,283.65	(1,000.00)
2011	Levy Excess	Disbursements	33.82	-	33.82
2011	Township	Ending Balance	51,774.64	52,715.88	(941.24)
2011	Fire Fighting	Ending Balance	7,467.32	5,671.67	1,795.65
2011	Levy Excess	Ending Balance	(33.82)	33.82	(67.64)
2012	Township	Beginning Balance	51,967.87	52,715.88	(748.01)
2012	Fire Fighting	Beginning Balance	5,670.67	5,671.67	(1.00)
2012	Levy Excess	Beginning Balance	-	33.82	(33.82)
2012	Township	Receipts	11,866.10	11,865.74	0.36
2012	Township Assistance	Receipts	4,814.13	3,503.34	1,310.79
2012	Fire Fighting	Receipts	4,904.93	3,568.19	1,336.74
2012	Township	Ending Balance	57,665.83	58,413.48	(747.65)
2012	Township Assistance	Ending Balance	14,434.50	13,123.71	1,310.79
2012	Fire Fighting	Ending Balance	5,117.60	3,781.86	1,335.74
2012	Levy Excess	Ending Balance	-	33.82	(33.82)
2013	Township	Beginning Balance	57,665.83	58,413.48	(747.65)
2013	Township Assistance	Beginning Balance	14,434.50	13,123.71	1,310.79
2013	Fire Fighting	Beginning Balance	5,117.60	3,781.86	1,335.74
2013	Levy Excess	Beginning Balance	-	33.82	(33.82)
2013	Township	Receipts	10,658.98	10,734.83	(75.85)
2013	Township Assistance	Receipts	5,169.99	5,179.24	(9.25)
2013	Fire Fighting	Receipts	9,182.96	3,727.96	5,455.00
2013	Township	Ending Balance	62,081.25	62,904.75	(823.50)
2013	Township Assistance	Ending Balance	17,505.12	16,203.58	1,301.54
2013	Fire Fighting	Ending Balance	8,842.56	2,051.82	6,790.74
2013	Levy Excess	Ending Balance	-	33.82	(33.82)

- The Fund Ledger did not have year-to-date totals for 2011, 2012, and 2013. The sum of the fund balances did not agree to the control balances in part due to two checks totaling \$340.11 posted as receipts instead of as disbursements in the Township fund.
- The records presented for review indicated the following disbursements in excess of budgeted appropriations as follows:

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2010	Township	\$ 116
2013	Township	74


Current Period Comments

- Depository reconcilements of the fund balances to the bank account balances were not presented for 2010, 2011, 2012, or 2013. Presented bank statements showed tick marks which indicated items were looked at but did not show a reconciliation to the fund balance.
- The Township did not adopt a resolution establishing salaries of Township officers and employees for 2010, 2011, 2012, or 2013.
- 2013 W-2s were not presented for review.

- *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 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 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 2012. The 2012 report was filed on April 5, 2013, which was 64 days 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 May 28, 2014, with Angela Nobbe, Trustee.


Paul D. Joyce, CPA
State Examiner