



STATE OF INDIANA
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B44326

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October 17, 2014

TO: THE OFFICIALS OF BLACK TOWNSHIP, POSEY COUNTY, INDIANA

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

Current Period Comments

- *The financial ledger was not used in the manner prescribed as described below:*
 1. *The Cumulative Fire fund for the year 2010 was not included in the "Total All funds" columns. The amount invested from the Township fund in a savings account at December 31, 2010, was not recorded in the Township fund or in the "Total All funds."*
 2. *The January 1, 2012, beginning balances for Township, Township Assistance, and Payroll Deduction funds did not agree to the prior period ending balances.*
- *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. The following is a schedule of these differences:*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Ledger</u>	<u>Difference</u>
2011	Cumulative Fire	Receipts	\$ 498,173.06	\$ 820,796.27	\$ (322,623.21)
2011	Township	Disbursements	95,381.84	94,578.98	802.86
2011	Township Assistance	Disbursements	111,870.19	111,751.21	118.98
2011	Cumulative Fire	Disbursements	186,306.18	508,929.39	(322,623.21)
2011	Payroll Deduction	Disbursements	12,451.74	13,373.58	(921.84)
2011	Township	Ending Balance	359,855.92	360,658.78	(802.86)
2011	Township Assistance	Ending Balance	205,145.26	205,264.24	(118.98)
2011	Payroll Deduction	Ending Balance	-	921.84	(921.84)
2012	Cumulative Fire	Receipts	213,855.22	1,426,645.34	(1,212,790.12)
2012	Cumulative Fire	Disbursements	257,094.87	1,469,884.99	(1,212,790.12)
2013	Cumulative Fire	Receipts	396,132.17	618,144.97	(222,012.80)
2013	Payroll Deduction	Receipts	15,514.30	14,533.11	981.19
2013	Township	Disbursements	158,887.25	158,033.61	853.64
2013	Township Assistance	Disbursements	159,999.52	159,871.97	127.55
2013	Cumulative Fire	Disbursements	275,964.45	497,977.25	(222,012.80)
2013	Township	Ending Balance	188,584.72	189,438.36	(853.64)
2013	Township Assistance	Ending Balance	403,808.87	403,936.42	(127.55)
2013	Payroll Deduction	Ending Balance	-	981.19	(981.19)

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

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2012	Cumulative Fire	\$ 7,094.87
2013	Fire Fighting	60,293.08

- The following funds had overdrawn cash balances at December 31:

<u>Years</u>	<u>Fund</u>	<u>Amount Overdrawn</u>
2011	Payroll Deduction	\$ 921.84
2013	Payroll Deduction	981.19

- Resolutions establishing salaries of Township officers and employees were not presented for review for 2012 and 2013. Form 17 (Resolution Establishing Salaries of Township Officers and Employees) has been prescribed for this purpose.
- The Township did not review and adopt the Annual Financial Report at the required meetings in accordance with Indiana Code 36-6-6-9.

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 22, 2014, with Lindsay Suits, Trustee. The contents of this letter were discussed on July 23, 2014, with Albert Gibbs, former Trustee through December 31, 2010.


Paul D. Joyce, CPA
State Examiner