



STATE OF INDIANA
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B44367

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October 27, 2014

TO: THE OFFICIALS OF PERSHING TOWNSHIP, JACKSON COUNTY, INDIANA

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

- *Township Board members were paid without the Township withholding social security or medicare taxes.*

Current Period Comments

- *At December 31, 2013, the total of all fund balances was \$42,638. However, the bank account balance was \$83,991. The Trustee's reconciliation did not include any reconciling items or other notations that would have explained the difference between the fund balance totals and the bank account balance.*

| | <i>Balance</i> <i>December 31, 2013</i> |
|--------------------------|--|
| Township Fund | \$ 32,577 |
| Township Assistance Fund | <u>10,061</u> |
| Total Fund Balance | 42,638 |
| Bank Account Balance | <u>83,991</u> |
| Difference | <u>\$ 41,353</u> |

- At December 31, 2012, the ledger included a Rainy Day fund with a cash balance of \$1,247. The ledger for 2013 does not include any accounting for a Rainy Day fund. The Annual Financial Report for 2013 does not report any receipts, disbursements, or cash balances for a Rainy Day fund.
- The December 31, 2012 balance of the Township fund was shown on the ledger as \$66,796. The beginning balance on January 1, 2013, of the Township fund was shown on the ledger as \$30,000. There were no ledger postings or other documentation explaining the change in the Township fund's balance.
- The December 31, 2009 report showed a Debt fund with an ending balance of \$1,353 and a Dog fund with an ending balance of \$992. Neither of these funds was shown on the ledgers for 2010, 2011, 2012, or 2013.
- The Township did not adopt a resolution establishing salaries of Township officers and employees in 2010, 2011, 2012, or 2013.
- The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was incomplete for 2013. The report filed showed that the Township had no employees.
- The Township did not have the required meeting to review and adopt the Annual Financial Report in accordance with Indiana Code 36-6-6-9 for 2010, 2011, 2012, or 2013.
- The following records were not presented for review:
 - W-2s for 2010, 2011, 2012, or 2013
 - Board minutes for 2010
- 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 or 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 or 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, 2011, or 2012. The dates the Form 100-Rs were due, the dates filed, and number of days late are scheduled below:*

| <u>Years</u> | <u>Due Date</u> | <u>Date Filed</u> | <u>Days Late</u> |
|--------------|---------------------|-----------------------|----------------------|
| 2010 | 01-31-11 | 05-04-11 | 93 |
| 2011 | 01-31-12 | 04-24-12 | 84 |
| 2012 | 01-31-13 | 06-24-13 | 144 |

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 5, 2014, with Bruce McKinney, Trustee.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner