



**STATE OF INDIANA**  
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October 28, 2014

TO: THE OFFICIALS OF GRASSY FORK TOWNSHIP, JACKSON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Grassy Fork 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/](http://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**

- *Depository reconciliations of the fund balances to the bank account balances were not completed and presented for 2010, 2011, 2012, or 2013.*
- *The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The back side or endorsement side of the checks was not returned.*
- *The Township paid each employee the amount that was approved in each budget. However, payments were made in advance of the actual date services were provided. For example, in 2013 the Trustee was paid the second half of his salary and the Clerk was paid her full salary in August, three months prior to services being rendered.*
- *The Township did not adopt a resolution establishing salaries of Township officers and employees for 2010, 2011, 2012, or 2013.*

- *Payments made for fire protection in 2010 and 2011 were not supported by written contracts.*
- *Annual reimbursements were made to the Trustee during 2010, 2011, 2012, and 2013 for supplies without supporting documentation. The total payments to the Trustee without supporting documentation were \$900.*
- *The Township did not have a Nepotism Policy adopted in 2012 or 2013 as required by Indiana Code 36-1-20.2.*
- *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.*
- *The Township did not have a Contracting Policy adopted in 2012 or 2013 as required by Indiana Code 36-1-21.*
- *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 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 or 2011. The reports were filed on May 5, 2011, and April 23, 2012, respectively, which were 94 and 83 days past the due dates.*

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 Parke Hackman, Trustee.

  
Paul D. Joyce, CPA  
State Examiner