



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B44382

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October 28, 2014

TO: THE OFFICIALS OF WARREN TOWNSHIP, WARREN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Warren Township (Township), for the period of January 1, 2012 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.

Unresolved Comments From Prior Report

- *The records presented for review indicated the following disbursements which were made without having an approved budget:*

<u>Year</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2012	Township	\$ 4,879
2012	Township Assistance	1,052

- *Receipts were not properly posted to the Township Ledger. Receipts were posted when deposited rather than when they were received. In 2012, 95 percent of the funds received, totaling \$15,693, were posted and deposited in 2013.*

- *Receipts were deposited later than the first and fifteenth of the month. 92 percent of receipts were not deposited timely. There was 1 deposit in 2012 and 4 deposits in 2013.*
- *The Annual Report for 2012 was not filed electronically until August 13, 2013, which was 165 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 2012. The report was filed on July 7, 2013, which was 157 days past the due date.*
- *Minutes of meetings of the Township Board were not presented for review. We could not determine how many meetings were held and whether or not the required meetings for the adoption of Annual Reports and budgets were held.*
- *The Township paid \$4,035 of compensation in advance of the actual date the services were provided.*
- *Employees of the Township were paid without the Township withholding federal, state, and local taxes.*
- *W-2s were not issued for Township employees.*
- *Payments made for fire protection, legal services, mowing, and library services were not supported by a written contract.*
- *Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. There was no supporting documentation for 50 percent of the payments made.*
- *Township assistance payments were made without an Application for Township Assistance on file for 14 percent of payments made. Payment was made on behalf of one person who was not named on the application. (The address matched the applicant.) 45 percent of payments made had inadequate supporting documentation. One payment was made and no applicant's name was given. This payment did not match the amounts listed as paid on any of the applications.*

Current Period Comments

- *The Trustee was not properly bonded for 2013. The Trustee did not pay the annual fee for the bond, so it was cancelled.*
- *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 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 2013.*

- *The Township did not adopt a resolution establishing salaries of Township officers and employees.*
- *The Certified Reports of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) were inaccurate. The following errors were noted:*

<u>Employee</u>	<u>Years</u>	<u>Amount Reported</u>	<u>Amount Paid</u>
<i>Nannette Cronk</i>	<i>2012</i>	<i>\$ 3,360</i>	<i>\$ 2,800</i>
<i>Scott Cronk</i>	<i>2012</i>	<i>1,075</i>	<i>900</i>
<i>Shelly Foran</i>	<i>2012</i>	<i>150</i>	<i>125</i>
<i>Wilbur Pearson</i>	<i>2012</i>	<i>150</i>	<i>125</i>
<i>Scott Cronk</i>	<i>2013</i>	<i>900</i>	<i>1,050</i>

- *Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5-1.*
- *The Annual Report was not published in accordance with Indiana Code 36-6-4-13 for 2012 and 2013.*

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 October 15, 2014, with Nanette Cronk, Trustee.

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