



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B44440

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November 10, 2014

TO: THE OFFICIALS OF LIBERTY TOWNSHIP, SHELBY COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Liberty Township (Township), for the period of January 1, 2011 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 institution used by the Township 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. An image of the back side, or endorsement side, of the checks was not returned or provided.*
- *A resolution establishing salaries of Township officers and employees was not presented for the years 2011 and 2013.*
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) for 2012 was inaccurate. The 2012 100-R stated the Township Clerk's total compensation was \$1,950, but the Clerk actually was paid \$2,550 in 2012. The variance was due to the \$600 in compensation paid for duties related to Township assistance not being reported on the 100-R.*

- *The Township did not present a Nepotism Policy for 2012 or 2013.*
- *The Township did not present a Contracting Policy for 2012 or 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 July 2, 2014, with Ruth A. Kessler, Trustee.


Paul D. Joyce, CPA
State Examiner