



STATE OF INDIANA
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B44453

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November 12, 2014

TO: THE OFFICIALS OF SAND CREEK TOWNSHIP, DECATUR COUNTY, INDIANA

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

- *The Trustee did not present an individual Surety Bond for review and a bond was not on file at the Recorder's Office for 2010, 2011, 2012, and 2013.*

Current Period Comments

- *Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliations did not balance. The reconciliations observed indicated that reconciled bank balances exceeded ledger balances by small amounts throughout the review period. At December 31, 2013, the bank account reconciliation identified cash long of \$73.48.*
- *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 Annual Financial Reports filed on Gateway for 2011 and 2013 contained errors and did not properly reflect the financial activity of the Township.*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Township Ledger</u>	<u>Difference</u>
2011	Township	Ending Balance	\$ 55,045	\$ 56,215.00	\$ (1,170.00)
2011	Township	Disbursements	65,816	64,645	1,171
2013	Township	Ending Balance	65,656	64,102	1,554
2013	Township	Disbursements	66,234	67,782	(1,548)

- *For the years 2011 and 2013, the Township did not adopt a resolution establishing salaries of Township officers and employees.*
- *Written certifications were not presented for review that Board members had not violated Indiana Code 36-1-20.2 (Nepotism) for 2012 and 2013.*
- *No evidence was noted that the Township had adopted 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 December 31, 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 May 14, 2014, with Sandra M. Gatewood, Trustee.

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