



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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December 5, 2014

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

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

Current Period Comments

- *The Township ledger did not include investments on hand in the amount of \$18,616.55.*
- *Interest on one Certificate of Deposit (CD) was rolled over into the principal amount instead of being disbursed to the Township. Additionally, that CD's interest was not posted to the ledger.*
- *Records presented for review indicated disbursements, as reported in the Annual Financial Report, were in excess of budgeted appropriations for the Fire Fighting fund in the amount of \$2,000 for 2010, 2011, and 2012; and for the Park & Recreation fund in the amount of \$97 for 2010.*

- *Approved salary resolutions for 2010 and 2013 were not presented for review. The salary resolutions for 2011 and 2012 were presented but did not authorize a salary for the Township Assistance Investigator; however, the 2011 and 2012 budget orders included a line item for salary and wages payable from the Township Assistance Fund in the amount paid to the Township Assistance Investigator. We instructed the Township to include compensation of all Township employees on future salary resolutions.*
- *The Trustee was reimbursed for utilities, internet and travel expenses in 2013 without documentation to support the amount of reimbursement.*
- *W-2s for 2010, 2011, 2012, and 2013 were not presented for review.*
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) for 2013 was incomplete. The report contained salary information for only the Township clerk.*
- *Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records.*
- *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 December 31, 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 December 31, 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 and 2011. The reports were filed on April 27, 2011 and February 22, 2012, which is 86 and 22, respectively, past the due dates.*
- *Mowing, fire protection, or recreation contracts were not presented for review for 2010, 2011, 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 May 14, 2014, with Robert E. Clark, Trustee.

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