



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

January 16, 2015

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

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

Unresolved Comment From Prior Report

- *Depository reconciliations of the fund balances to the bank account balances were not presented for any of the 36 months in the review period.*

Current Period Comments

- *Bank service charges and paper statement fees totaling \$45 were not recorded in the Township Ledger in 2012 and 2013.*
- *The financial institution did not return the actual checks with the monthly bank statements, but instead returned only an optical image of the front side of the check. The back side or endorsement side of the checks were not returned.*

- *The records presented for review indicated the following disbursements in excess of appropriations:*

<u>Year</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2011	Township	\$ 872
2011	Cumulative Fire	4,507

- *Receipts were not always properly posted in the Township Ledger. The 2011 December CAGIT distribution was never posted to the Township fund. The 2012 August FIT distribution was posted to the Township fund; it should have been split between the Township fund and Township Assistance fund.*
- *The Township did not adopt a resolution establishing salaries of Township officers and employees, but rather paid according to the budget.*
- *In 2011, the Township did not withhold the correct amount in Social Security taxes from the employees' wages. They withheld 6.2 percent instead of 4.2 percent.*
- *Payroll taxes withheld were not remitted to the IRS on a timely basis for the first three quarters in 2011. The payroll taxes were remitted in January 2012, resulting in penalties, interest, and other fees to be paid in the amount of \$311.03.*
- *Several payments were observed which did not contain any supporting documentation, such as receipts, invoices, and other public records.*

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 29, 2014, with Riley Lemmons, former Trustee.

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