



**STATE OF INDIANA**  
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B44856

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February 27, 2015

TO: THE OFFICIALS OF JEFFERSON TOWNSHIP, WASHINGTON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Jefferson 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/](http://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 Comments From Prior Report**

- *The Annual Financial Report filed on Gateway for 2011, 2012, and 2013 contained a number of errors and did not properly reflect the financial activity of the Township as shown in the following schedule:*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Ledger</u>	<u>Difference</u>
2011	Township	Beginning Balance	\$ 20,182.66	\$ 15,162.04	\$ 5,020.62
2011	Township Assistance	Beginning Balance	13,182.27	13,189.64	(7.37)
2011	Fire Fighting	Beginning Balance	3,634.22	3,672.22	(38.00)
2011	Fire Fighting	Receipts	5,804.42	5,808.42	(4.00)
2011	Township	Disbursements	17,217.93	16,817.93	400.00
2011	Township Assistance	Disbursements	5,192.65	4,809.94	382.71
2011	Fire Fighting	Disbursements	6,467.18	7,478.64	(1,011.46)

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Ledger</u>	<u>Difference</u>
2011	Township	Ending Balance	10,582.31	5,961.69	4,620.62
2011	Township Assistance	Ending Balance	9,587.29	9,977.37	(390.08)
2011	Fire Fighting	Ending Balance	2,971.46	3,011.46	(40.00)
2012	Township	Beginning Balance	11,173.32	5,961.69	5,211.63
2012	Township Assistance	Beginning Balance	15,226.97	9,977.37	5,249.60
2012	Township	Receipts	19,023.24	18,872.02	151.22
2012	Township Assistance	Receipts	4,036.41	8,377.57	(4,341.16)
2012	Fire Fighting	Receipts	8,854.94	8,855.06	(0.12)
2012	Township	Disbursements	18,372.11	14,092.94	4,279.17
2012	Township Assistance	Disbursements	7,225.28	7,339.07	(113.79)
2012	Township	Ending Balance	11,824.45	10,741.63	1,082.82
2012	Township Assistance	Ending Balance	12,038.10	11,015.87	1,022.23
2012	Fire Fighting	Ending Balance	5,790.08	5,790.20	(0.12)
2013	Township	Beginning Balance	11,824.45	10,741.63	1,082.82
2013	Township Assistance	Beginning Balance	12,038.10	11,015.87	1,022.23
2013	Fire Fighting	Beginning Balance	5,790.08	5,790.20	(0.12)
2013	Township	Receipts	18,142.66	23,145.80	(5,003.14)
2013	Township Assistance	Receipts	5,155.57	5,000.00	155.57
2013	Township	Disbursements	16,588.63	21,873.29	(5,284.66)
2013	Township Assistance	Disbursements	6,699.51	5,569.51	1,130.00
2013	Cumulative Fire	Disbursements	9,780.00	9,080.00	700.00
2013	Township	Ending Balance	13,378.48	3,251.80	10,126.68
2013	Township Assistance	Ending Balance	10,494.16	4,748.06	5,746.10
2013	Fire Fighting	Ending Balance	8,041.55	8,041.67	(0.12)
2013	Cumulative Fire	Ending Balance	8,049.57	6,049.57	2,000.00

**Current Period Comments**

- Depository reconciliations of the fund balances to the bank account balances were not presented for review for all 48 months during the review period.
- The financial institution did not return the actual cancelled checks with the monthly bank statements, and did not return an optical image of the front side of the checks nor the back side or endorsement side of the checks.
- The records presented for review showed the following disbursements in excess of budgeted appropriations:


<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2011	Fire Fighting	\$ 466.64
2012	Cumulative Fire	326.47
2013	Township	3,088.29
2013	Fire Fighting	2,000.00

- 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 as required by Indiana Code 36-1-21-4 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 July 3, 2014, with Charlotte Thompson, Trustee.

  
Paul D. Joyce, CPA  
State Examiner