



STATE OF INDIANA
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B44920

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March 13, 2015

TO: THE OFFICIALS OF UTICA TOWNSHIP, CLARK COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Utica 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 Comments From Prior Report

- *Township Assistance Purchase Order's (Form TA-2) were not presented for review for 2010, 2011, 2012, and 2013. The Trustee stated that the TA-2 forms were not used.*
- *No written Township Assistance Standards were presented for review for 2010, 2011, 2012, and 2013; therefore we were unable to verify that standards were established in accordance with Indiana Code 12-20-5.5-1.*
- *Depository reconciliations of the fund balances to the bank account balances were also not presented for review for the year 2010.*

Current Period Comments

- *The Annual Financial Report filed on Gateway for 2011 contained errors and did not properly reflect the financial activity of the Township.*

<u>Year</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per Gateway</u>	<u>Amount Per Ledger</u>	<u>Difference</u>
2011	Rainy Day	Beginning Balance	\$ -	\$ 21,661.23	\$ (21,661.23)
2011	Rainy Day	Disbursements	-	21,661.22	(21,661.22)

- *The Township used an excel spreadsheet to record the financial activity of the Township for the years 2011, 2012, and 2013 in lieu of prescribed form "Financial and Appropriation Record (Form 1C)."*
- *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>
2010	Rainy Day	\$ 3,725.58
2010	Park & Recreation	2,716.23
2011	Township	5,645.33
2011	Township Assistance	1,224.34

- *Receipts were deposited later than the first and fifteenth of the month. During the period of June 2012 through April 2013 distributions were held for periods of 24 to 140 days prior to deposit.*
- *Resolutions establishing salaries of Township officers and employees were not presented for review for 2010, 2011, 2012, and 2013. Form 17 (Resolution Establishing Salaries of Township Officers and Employees) has been prescribed for this purpose.*
- *During 2010, the Township Clerk and Trustee received compensation from 13 to 19 days in advance of the actual date the services were provided. During 2011, 2012, and 2013, the Township Clerk and Trustee received compensation from 26 to 30 days in advance of the actual date the services were provided.*

- *Internal Revenue Service Form W-2s were not issued for Board members. Accordingly, Board members of the Township were paid without the Township withholding federal, state, and local taxes for the review period.*
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) due January 31 of each year was filed 339 days and 24 days late for compensation paid for the years 2010 and 2011, respectively.*
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was incomplete for 2012 and 2013. The report did not include compensation paid to the Board members.*
- *The Township did not have the required meeting to review and adopt the Annual Report in accordance with Indiana Code 36-6-6-9 for 2010 and 2011.*
- *The Township did not have a Nepotism Policy for 2012.*
- *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 2013.*
- *The Township did not have a Contracting Policy for 2012.*
- *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 2013.*
- *The Annual Report for 2010 was not filed electronically until August 10, 2011, which was 163 days past the due date.*

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 August 21, 2014, with John Durbin, Trustee.

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