



STATE OF INDIANA
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B44928

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March 13, 2015

TO: THE OFFICIALS OF POSEY TOWNSHIP, HARRISON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Posey 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 financial institution did not return the actual cancelled checks with the monthly bank statements, but instead only returned an optical image of the front side of the checks. The back side or endorsement side of the checks was not returned for the period of January 2010 through December 2013.*

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

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2010	Riverboat	\$ 7,851.75
2011	Riverboat	8,614.69
2012	Riverboat	5,809.43
2013	Riverboat	10,825.49
2013	Fire Fighting	4,099.00

- *The Township did not adopt a salary resolution establishing salaries for Township officers and employees for 2010, 2011, 2012, and 2013.*
- *Payments made for 2013 Fire Fighting Protection were not supported by a completed contract. The contract presented did not contain an amount to be paid for the services provided.*
- *Not all minutes of the governing board were presented for review for the years 2011, 2012, and 2013. Other minutes presented during this period were unclear as to the proceedings and the actions taken by the governing board.*
- *The Township did not have the required meeting to review and adopt the Annual Financial Report in accordance with Indiana Code 36-6-6-9 for 2012 and 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 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.*
- *The Township did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) for the year 2012 with the Indiana State Board of Accounts. The report was filed on February 18, 2013, which is 18 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 July 3, 2014, with Steven E. Smith, Trustee.

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