



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B46368

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

May 20, 2016

TO: THE OFFICIALS OF THE TOWN OF CYNTHIANA, POSEY COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Town of Cynthiana (Town), for the period of January 1, 2010 to December 31, 2012, 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 Town's financial statement, we did not follow auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any basic financial statement of the Town.

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 Town'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 Town can be found on the Gateway website: <https://gateway.ifonline.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 following funds had overdrawn cash balances at December 31, 2010 and 2011.*


<u>Years</u>	<u>Fund</u>	<u>Amount</u>
2010	Payroll	\$ (9,146.60)
2011	Payroll	(6,775.36)

- *The Clerk-Treasurer and Town Council members did not certify in writing that the officers had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 2012.*
- *The Clerk-Treasurer and Town Council members did not certify in writing that the officers had not violated Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 2012.*

- *The Clerk-Treasurer did not timely file a Certified Reports of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the Indiana State Board of Accounts for 2012. The report was filed on March 18, 2013, which was 46 days past the due date.*

This letter is intended for the information and use of the governing body and management of the Town. 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 February 3, 2016, with Greta Mounts, Clerk-Treasurer, and Troy E. Kennedy, President of the Town Council. Any Official Response attached to this letter was not verified for accuracy.


Paul D. Joyce, CPA
State Examiner