



STATE OF INDIANA

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B46500

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June 23, 2016

TO: THE OFFICIALS OF ADAMS TOWNSHIP, ALLEN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Adams Township (Township), for the period of January 1, 2012 to December 31, 2015, 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 *auditing* standards generally accepted in the United States of America. 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 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

- *Payroll taxes withheld were not properly remitted to the IRS. Remittances to the IRS for February through May 2012 payroll taxes were not made until July 2012. Total remittances to IRS for 2012 exceeded liability by \$6,061. Refunds of \$5,083 were received from the IRS. The difference of \$978 is assumed to be penalty and interest for late payment. Additional penalties and interest totaling \$321 for 2012 and 2013 were paid to the IRS in 2014. All remittances to the IRS for 2015 were made timely; however, total remittances for the year exceeded the liability by \$1,438. No refunds have been received as of March 24, 2016.*

Current Period Comments

- The Annual Financial Report filed on Gateway for the years 2012, 2013, 2014, and 2015 did not match the Township's records.

Years	Fund	Category	Amount Per Gateway	Amount Per District Ledger	Difference
2012	Cumulative Fire and Equipment	Beginning Balance	\$ -	\$ 143,202	\$ (143,202)
2012	M Column	Beginning Balance	-	619	(619)
2012	Township Assistance	Receipts	281,042	279,819	1,223
2012	Cumulative Fire and Equipment	Receipts	-	159	(159)
2012	M Column	Receipts	-	40,144	(40,144)
2012	M Column	Disbursements	-	39,540	(39,540)
2012	Township Assistance	Ending Balance	385,938	384,715	1,223
2012	Cumulative Fire and Equipment	Ending Balance	-	143,361	(143,361)
2012	M Column	Ending Balance	-	1,223	(1,223)
2013	Cumulative Fire and Equipment	Beginning Balance	-	143,361	(143,361)
2013	Cumulative Fire and Equipment	Receipts	-	645	(645)
2013	M Column	Receipts	-	42,656	(42,656)
2013	Cumulative Fire and Equipment	Disbursements	-	500	(500)
2013	M Column	Disbursements	2,995	45,651	(42,656)
2013	Cumulative Fire and Equipment	Ending Balance	-	143,506	(143,506)
2013	Cumulative Fire and Equipment	Beginning Balance	-	143,506	(143,506)
2013	Cumulative Fire and Equipment	Receipts	143,556	50	143,506
2014	M Column	Receipts	-	39,921	(39,921)
2014	M Column	Disbursements	667	40,588	(39,921)
2015	M Column	Receipts	2,438	43,206	(40,768)
2015	M Column	Disbursements	-	40,768	(40,768)

- The following funds had overdrawn cash balances at December 31:

Years	Fund	Amount Overdrawn
2013	M Column	\$ 1,771
2014	M Column	2,438

- Compensation paid to employees for 2013 was not in accordance with the amount fixed by the Board. The Trustee, the Clerk, and the Deputy Clerk were all paid less than the amounts approved by the Board by a total amount of \$1,495.
- The Township Board members did not each certify in writing that each officer had not violated Indiana Code 36-1-20.2 (Nepotism) or Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 2012, 2013, 2014, or 2015.

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 March 24, 2016, with Brian Yoh, Trustee, and Kimberly Yoh, Clerk. Any Official Response attached to this letter was not verified for accuracy.

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