



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B46598

STATE BOARD OF ACCOUNTS
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July 14, 2016

TO: THE OFFICIALS OF JOHNSON TOWNSHIP, LAGRANGE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Johnson 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.

Current Period Comments

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

| <u>Years</u> | <u>Fund</u> | <u>Category</u> | <u>Amount Per Gateway</u> | <u>Amount Per Township Ledger</u> | <u>Difference</u> | |
|----------------------|----------------------|----------------------|---------------------------|-----------------------------------|-------------------|-------------|
| 2012 | Payroll Withholdings | Beginning Balance | \$ - | \$ 1,428.25 | \$ (1,428.25) | |
| | | Receipts | - | 10,174.53 | (10,174.53) | |
| | | Disbursements | - | 9,677.69 | (9,677.69) | |
| | | Ending Balance | - | 1,925.09 | (1,925.09) | |
| Rainy Day | Beginning Balance | 20,700.98 | 10,350.49 | 10,350.49 | | |
| | Ending Balance | 23,700.98 | 10,350.49 | 13,350.49 | | |
| 2013 | Fire Fighting | Disbursements | 56,094.15 | 56,992.09 | (897.94) | |
| | | Payroll Withholdings | Beginning Balance | - | 1,925.09 | (1,925.09) |
| | | | Receipts | - | 14,620.73 | (14,620.73) |
| | | | Disbursements | - | 16,034.00 | (16,034.00) |
| Levy Excess | Ending Balance | - | 511.82 | (511.82) | | |
| | Receipts | - | 564.62 | (564.62) | | |
| | Disbursements | - | 1,583.74 | (1,583.74) | | |
| | Ending Balance | 1,583.74 | 564.62 | 1,019.12 | | |
| 2014 | Fire Fighting | Beginning Balance | 89,799.93 | 88,901.99 | 897.94 | |
| | | Ending Balance | 94,772.51 | 93,874.57 | 897.94 | |
| | | Payroll Withholdings | Beginning Balance | - | 511.82 | (511.82) |
| | | | Receipts | - | 14,163.64 | (14,163.64) |
| Disbursements | - | | 14,007.58 | (14,007.58) | | |
| Levy Excess | Ending Balance | - | 667.88 | (667.88) | | |
| | Beginning Balance | 1,583.74 | 564.62 | 1,019.12 | | |
| | Ending Balance | 1,586.24 | 567.12 | 1,019.12 | | |
| | 2015 | Fire Fighting | Beginning Balance | 94,439.19 | 93,874.57 | 564.62 |
| Ending Balance | | | 113,715.15 | 113,150.53 | 564.62 | |
| Payroll Withholdings | | | Beginning Balance | - | 667.88 | (667.88) |
| | | | Receipts | - | 16,789.63 | (16,789.63) |
| | Disbursements | - | 16,408.94 | (16,408.94) | | |
| Levy Excess | Ending Balance | - | 1,048.57 | (1,048.57) | | |
| | Beginning Balance | 2.50 | 567.12 | (564.62) | | |
| | Ending Balance | 2.50 | 567.12 | (564.62) | | |
| Hansen Bequest | Beginning Balance | 524.41 | 10,524.41 | (10,000.00) | | |
| | Receipts | 10,022.44 | 22.41 | 10,000.00 | | |

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 April 13, 2016, with John Russell, Trustee. Any Official Response attached to this letter was not verified for accuracy.

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