



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B46687

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July 29, 2016

TO: THE OFFICIALS OF THE UNION TOWNSHIP, WELLS COUNTY, INDIANA

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

- *The Township did not adopt a resolution or any other form of approval necessary to establish salaries of Township officers and employees for 2012, 2014, and 2015.*

Current Period Comments

- *The Annual Financial Reports 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 Ledger</u>	<u>Difference</u>
2012	Township	Beginning Balance	\$ 17,670	\$ 12,670	\$ 5,000
2012	Fire Fighting	Beginning Balance	43,114	33,114	10,000
2012	Township	Ending Balance	14,999	10,000	4,999
2012	Fire Fighting	Ending Balance	45,201	35,200	10,001
2013	Township	Beginning Balance	14,999	10,000	4,999
2013	Fire Fighting	Beginning Balance	45,201	35,200	10,001
2013	Township	Ending Balance	10,519	5,518	5,001
2013	Fire Fighting	Ending Balance	53,623	43,621	10,002
2014	Township	Beginning Balance	10,519	5,519	5,000
2014	Fire Fighting	Beginning Balance	53,623	43,623	10,000
2014	Township	Ending Balance	7,470	2,469	5,001
2014	Fire Fighting	Ending Balance	69,688	59,688	10,000
2015	Township	Beginning Balance	7,470	2,469	5,001
2015	Fire Fighting	Beginning Balance	69,688	59,688	10,000
2015	Township	Ending Balance	13,345	8,346	4,999

- Township employees were paid prior to the performance of services for every payroll check written during the review period. Payroll checks were dated up to 30 days in advance.
- Township Board members were paid without the Township withholding federal, state, and local taxes.
- Receipts were deposited later than the first and fifteenth of the month and were as much as 2 to 15 days late.
- Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 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, 2014 and 2015.
- Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records.
- A review of the 2015 Township Assistance disbursements indicated the following: There were no applications on file for three recipient that received benefits; 11 Applications for Township Assistance were supported by applications dated January 2013 and April 2014; 1 application was dated after the Township assistance check date; 12 Township Assistance disbursements were not properly supported.

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 May 17, 2016, with Brian Imel, Trustee. Any Official Response attached to this letter was not verified for accuracy.

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