



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

B46723

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July 29, 2016

TO: THE OFFICIALS OF MONROE TOWNSHIP, MORGAN COUNTY, INDIANA

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

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 Annual Report for 2012, 2013, and 2014 was not filed electronically until June 29, 2013, April 15, 2014, and March 13, 2015, which were 120, 45, and 12 days past the due date.*
- *The Township did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the Indiana State Board of Accounts for 2012, 2013, and 2014. The report was filed on June 29, 2013, February 16, 2014, and March 13, 2015, which is 149, 16, and 41 days past the due date.*
- *Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation contained errors and did not balance at December 31, 2013. The outstanding checks were not accurate and a posting error account for the differences.*

- *The Trustee was not properly bonded for 2013, 2014, and 2015. In addition the Trustee's Surety Bond was insufficient per the Indiana code for 2012 as the bond amount was \$15,000 instead of the required \$30,000.*
- *Receipts were deposited up to 4, 58, 30, and 12 days after the first and/or fifteen of the month in 2012, 2013, 2014, and 2015.*
- *The Township Board did not fix the salaries of all officials for 2012, 2013, 2014, and 2015 review period.*
- *W-2s were not issued for Township employees for 2012.*
- *Compensation paid to Township Board members was incorrect according to the amounts approved in the budget for 2014. The budget was not approved for 2014 and reverted back to the 2013 approved budget in which the Township Board members' salary was \$700 instead of \$800. We are requesting that each Township Board member reimburse the Township \$100 for overpayment of salary.*
- *Several Township and Township Assistance payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records for 2012, 2013, 2014, and 2015.*
- *Township Assistance payments were made without an Application for Township Assistance on file for the years of 2012 and 2014.*
- *Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5-1 for 2012, 2013, 2014, and 2015.*
- *The Annual Report was not published in accordance with Indiana Code 36-6-4-13 for 2013, 2014, and 2015.*
- *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 (AFR) filed for 2012, 2013, 2014, and 2015 did not match the Township's records as shown:*

<i>Years</i>	<i>Fund</i>	<i>Category</i>	<i>Amount Per AFR</i>	<i>Amount Per Ledger</i>	<i>Difference</i>
2012	Township Assistance	Rec	\$ 31,080.08	\$ 31,048.08	\$ (32.00)
2012	Township Assistance	End Bal	163,155.00	163,123.00	(32.00)
2012	Township Assistance Levy Excess	Rec	-	32.00	32.00
2012	Township Assistance Levy Excess	End Bal	-	32.00	32.00
2013	Township Assistance	Beg Bal	163,155.00	163,123.00	(32.00)
2013	Township Assistance	End Bal	186,911.77	186,879.77	(32.00)
2013	Township Assistance Levy Excess	Beg Bal	-	32.00	32.00
2013	Township Assistance Levy Excess	End Bal	-	32.00	32.00
2014	Township Assistance Levy Excess	Beg Bal	-	32.00	32.00
2014	Township Assistance Levy Excess	End Bal	-	32.00	32.00
2015	Township Assistance Levy Excess	Beg Bal	-	32.00	32.00
2015	Township Assistance Levy Excess	End Bal	-	32.00	32.00
2015	Levy Excess	Beg Bal	120.00	88.00	(32.00)
2015	Levy Excess	End Bal	120.00	88.00	(32.00)

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 June 6, 2016, with Michael G. Marsh, Trustee. Any Official Response attached to this letter was not verified for accuracy.

  
Paul D. Joyce, CPA  
State Examiner