



STATE OF INDIANA
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B46960

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

September 29, 2016

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

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

Unresolved Comments from Prior Report

- *Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation contained errors or did not balance. The ledger had posting errors causing the ledger to not balance with the bank records.*
- *Employees of the Township were paid without the Township withholding federal, state, and local taxes in 2012 and 2013.*

Current Period Comments

- *The Annual Financial Report (AFR) for 2014 was not filed electronically until March 14, 2015, which was thirteen 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 2013. The report was filed on February 2, 2014, which is two days past the due date.*

- The records presented indicated the following disbursements in excess of budgeted appropriations:

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2013	Township	\$ 4,225.82
2013	Fire Fighting	16,112.87
2013	Cumulative Fire	3,515.00
2013	Fire Debt	1,531.66
2013	Emergency Fire Loan	4,201.49
2013	Rainy Day	17,235.00
2014	Township Assistance	4,226.20
2014	Rainy Day	31,319.43
2015	Fire Fighting	15,025.22
2015	Cumulative Fire	15,000.00


- The AFR filed for 2012 did not match the Township's records as shown below:

<u>Year</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per AFR</u>	<u>Amount Per Township Ledger</u>	<u>Difference</u>
2012	Township	Beg Bal	\$ 25,509.54	\$ 35,509.54	\$ 10,000.00
2012	Township	Receipt	100,718.57	102,435.90	1,717.33
2012	Township	End Bal	66,815.29	78,527.19	11,711.90
2012	Fire Fighting	Receipt	78,786.31	78,876.31	90.00
2012	Fire Fighting	End Bal	60,308.20	60,398.20	90.00

- The Township Board did not fix the salaries of all officials for 2012.
- The wages reported on the W-2s issued for 2013 did not agree with the actual amounts paid to employees.
- W-2s were not issued for all Township employees in 2012, 2013, and 2014.
- The Township did not have the required meeting to review and adopt the Annual Report in accordance with Indiana Code 36-6-6-9 for 2015.
- The Trustee did not obtain an individual Surety Bond for 2015.
- The Annual Report was not published in accordance with Indiana Code 36-6-4-13 for 2015.
- The Township did not have a Nepotism Policy for 2012.
- 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.
- The Township did not have a Contracting Policy for 2012, 2013, and 2014.
- 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.
- Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5-1 for 2012, 2013, and 2014.

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 July 5, 2016, with Bill Witt, Trustee, and Claudia Cline, Township Clerk.


Paul D. Joyce, CPA
State Examiner