



STATE OF INDIANA
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B47005

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October 7, 2016

TO: THE OFFICIALS OF GRANT TOWNSHIP, DEKALB COUNTY, INDIANA

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

- *The Township made payments totaling \$390 in 2015 for painting and cleaning in the Township office. The Township did not provide any documentation such as a contract or invoices to support the payments.*

Current Period Comments

- *The Annual Financial Report for 2014 filed on Gateway contained the following errors:*

<u>Year</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per AFR</u>	<u>Amount Per Township Ledger</u>	<u>Difference</u>
2014	Township	Receipts	\$ 70,220.57	\$ 43,408.17	\$ 26,812.40
2014	Township Assistance	Receipts	18,329.04	24,532.24	(6,203.20)
2014	Fire Fighting	Receipts	30,457.29	46,256.62	(15,799.33)
2014	Cumulative Fire	Receipts	5,843.76	10,240.09	(4,396.33)
2014	Recreation	Receipts	543.27	956.81	(413.54)
2014	Township	Ending Balance	41,832.05	15,019.65	26,812.40
2014	Township Assistance	Ending Balance	17,115.39	23,318.59	(6,203.20)
2014	Fire Fighting	Ending Balance	58,491.99	74,291.32	(15,799.33)
2014	Cumulative Fire	Ending Balance	41,323.57	45,719.90	(4,396.33)

- *In some instances, the Township share of social security and Medicare payments were incorrectly posted to the Payroll Deductions fund. In other instances, payments of state and local taxes withheld were incorrectly posted to the Township fund. The combined net effect of these errors caused the Payroll Deductions fund to have an overdrawn cash balance of \$300.41 at December 31, 2015. The correct balance should have been \$389.48, a difference of \$689.89.*
- *The Township expenditures exceeded the budgeted appropriations as follows:*

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2012	Rainy Day	\$ 8,374.26
2015	Rainy Day	4,500.00

- *Cemetery care contracts were paid in full in January, in advance of services provided. In 2015, all twelve months of office rent were paid prior to March 31.*
- *The Township had not adopted a policy that addresses nepotism in employment as required by Indiana Code 36-1-20.2.*
- *The elected officers of the Township failed to certify in writing that they did not violate Indiana Code 36-1-20.2 (nepotism) by December 31, 2012, 2013, 2014, and 2015.*
- *The Trustee did not certify in writing that she had complied with Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 2012, 2013, 2014, and 2015.*
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R) filed on Gateway was incomplete for the years 2012 and 2013. The reports did not include the members of the Township Board. The Form 100-R for 2014 was inaccurate, overstating the compensation of the Township Clerk by \$2,000.*

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 August, 22, 2016, with Mary D. Dangler, Trustee. Any Official Response attached to this letter was not verified for accuracy.

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