



STATE OF INDIANA
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B47197

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November 18, 2016

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

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Keyser 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 not presented for 2012 through 2015. As of December 31, 2015, we identified cash long in the amount of \$451.19.*
- *The records presented for review indicated the following disbursements in excess of budgeted appropriations:*

<u>Year</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2015	Township	\$ 624

- *The following funds had overdrawn cash balances at December 31:*

Years	Fund	Amount Overdrawn
2012	Township	\$ 762.14
2013	Township Assistance	1,188.17

- The Annual Financial Report (AFR) filed on Gateway for 2012 through 2015 did not match the Township's records.

Years	Fund	Category	Amount per AFR	Amount per Ledger	Difference
2012	Township	Receipts	\$ 17,364.16	\$ 17,389.90	\$ (25.74)
2012	Township	Disbursements	17,160.18	17,942.88	(782.70)
2012	Township	Ending Balance	(5.18)	(762.14)	756.96
2012	Township Assistance	Disbursements	6,907.40	6,813.40	94.00
2012	Township Assistance	Ending Balance	10.32	104.32	(94.00)
2012	Levy Excess	Beginning Balance	65.11	-	65.11
2012	Levy Excess	Ending Balance	65.11	-	65.11
2012	Cemetery	Beginning Balance	2,866.00	-	2,866.00
2012	Cemetery	Receipts	1,750.00	-	1,750.00
2012	Cemetery	Disbursements	1,000.00	-	1,000.00
2012	Cemetery	Ending Balance	3,616.00	-	3,616.00
2013	Township	Beginning Balance	(5.18)	0.31	(5.49)
2013	Township	Receipts	18,541.81	17,825.18	716.63
2013	Township	Disbursements	18,618.83	14,768.48	3,850.35
2013	Township	Ending Balance	(82.20)	3,057.01	(3,139.21)
2013	Township Assistance	Beginning Balance	20.64	2,005.32	(1,984.68)
2013	Township Assistance	Disbursements	6,116.30	7,126.30	(1,010.00)
2013	Township Assistance	Ending Balance	(2,162.85)	(1,188.17)	(974.68)
2013	Fire Fighting	Beginning Balance	805.26	402.63	402.63
2013	Fire Fighting	Ending Balance	669.01	266.38	402.63
2013	Rainy Day	Beginning Balance	181.18	90.59	90.59
2013	Rainy Day	Ending Balance	181.18	90.59	90.59
2013	Levy Excess	Beginning Balance	130.22	-	130.22
2013	Levy Excess	Disbursements	65.11	-	65.11
2013	Levy Excess	Ending Balance	65.11	-	65.11
2013	Cemetery	Beginning Balance	-	3,616.00	(3,616.00)
2013	Cemetery	Disbursements	-	500.00	(500.00)
2013	Cemetery	Ending Balance	-	3,116.00	(3,116.00)
2014	Township	Beginning Balance	(82.20)	2,336.83	(2,419.03)
2014	Township	Disbursements	16,661.14	14,207.96	2,453.18
2014	Township	Ending Balance	2,572.42	7,444.63	(4,872.21)
2014	Fire Fighting	Beginning Balance	669.01	266.38	402.63
2014	Fire Fighting	Disbursements	266.38	-	266.38
2014	Fire Fighting	Ending Balance	402.63	266.38	136.25
2014	Rainy Day	Beginning Balance	181.18	90.59	90.59
2014	Rainy Day	Receipts	266.38	-	266.38
2014	Rainy Day	Disbursements	275.00	-	275.00
2014	Rainy Day	Ending Balance	172.56	90.59	81.97
2014	Levy Excess	Beginning Balance	65.11	-	65.11
2014	Levy Excess	Ending Balance	65.11	-	65.11
2015	Township	Beginning Balance	2,572.42	5,055.93	(2,483.51)
2015	Township	Receipts	19,067.49	19,168.68	(101.19)
2015	Township	Disbursements	18,994.19	19,653.80	(659.61)
2015	Township	Ending Balance	2,645.72	4,570.81	(1,925.09)
2015	Township Assistance	Beginning Balance	23.06	981.74	(958.68)
2015	Township Assistance	Receipts	6,865.11	6,802.52	62.59
2015	Township Assistance	Disbursements	4,002.05	4,067.10	(65.05)
2015	Township Assistance	Ending Balance	2,886.12	3,717.16	(831.04)
2015	Rainy Day	Beginning Balance	172.56	-	172.56
2015	Rainy Day	Ending Balance	172.56	-	172.56
2015	Levy Excess	Beginning Balance	65.11	-	65.11
2015	Levy Excess	Ending Balance	65.11	-	65.11

Current Period Comments

- *As of December 31, 2012, 2013, 2014, and 2015, the balance of the Total All Funds per the Township Ledger did not agree with the sum of the individual funds.*

<u>Years</u>	<u>Total All Funds</u>	<u>Sum of Individual Funds</u>	<u>Difference</u>
2012	\$ 4,642.45	\$ (164.60)	\$ 4,807.05
2013	1,793.05	5,341.81	(3,478.96)
2014	6,398.29	8,049.34	(1,651.05)
2015	531.64	8,287.97	(7,756.33)

- *The Trustee received compensation for cemetery mowing in 2012 (\$1,350) and 2013 (\$2,800), in addition to his Trustee salary.*
- *Payments made for cemetery mowing in 2012 through 2015 were not supported by written contracts.*
- *Very few non-payroll disbursements contained adequate supporting documentation, such as receipts, invoices, and other public records. Any documentation provided was very disorganized and incomplete.*
- *The Township did not have the required meeting to review and adopt the AFR in accordance with Indiana Code 36-6-6-9 for 2012 through 2015.*
- *Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) and Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 2012, 2013, 2014, and 2015.*

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 September 29, 2016, with Clinton Lay, Trustee; Gloria Didion, Deputy Trustee; and Suzanne Herd, Advisory Board Chairman. Any Official Response attached to this letter was not verified for accuracy.

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