



STATE OF INDIANA
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B47198

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November 18, 2016

TO: THE OFFICIALS OF MARION TOWNSHIP, PIKE COUNTY, INDIANA

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

- *Penalties and interest totaling \$25 were paid on July 29, 2011. The Township continued to pay penalties, interest, and other charges to the Internal Revenue Service and Indiana Department of Workforce Development in the amount of \$297.90 from March 14, 2013 to April 18, 2015, because the Township did not remit payments on a timely basis. The Trustee reimbursed the Township \$207.87 on April 6, 2014, \$50 on December 28, 2014, and \$40.03 on October 25, 2016, for penalties and interest paid.*
- *The Township Ledger included posting errors mainly due to salaries and wages being paid from the Township Assistance fund without an approved budgeted line item.*
- *Receipts were deposited later than the first and fifteenth of the month on CVET tax distributions received from the County Auditor.*

<u>Received From</u>	<u>Date Received</u>	<u>Date Deposited</u>	<u>Amount</u>	<u>Purpose</u>
Pike Co. Auditor	01-05-12	03-06-12	\$ 92.00	CVET Distribution
Pike Co. Auditor	05-18-12	12-21-12	93.00	CVET Distribution
Pike Co. Auditor	05-01-13	06-25-13	93.00	CVET Distribution
Pike Co. Auditor	05-20-14	06-19-14	87.00	CVET Distribution
Pike Co. Auditor	06-15-15	12-31-15	98.00	CVET Distribution

Current Period Comments

- The Annual Financial Reports (AFR) filed on Gateway for 2013, 2014, and 2015 did not match the Township's records.

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount per AFR</u>	<u>Amount per Ledger</u>	<u>Difference</u>
2013	Township	Beg. Bal.	\$ 114.33	\$ 572.99	\$ (458.66)
2013	Township Assistance	Beg. Bal.	7,684.19	7,484.91	199.28
2013	Township	Disb.	11,572.59	14,792.42	(3,219.83)
2013	Township Assistance	Disb.	6,166.60	2,616.60	3,550.00
2013	Township	End. Bal.	1,333.16	(1,428.01)	2,761.17
2013	Township Assistance	End. Bal.	5,408.18	8,758.90	(3,350.72)
2014	Township	Beg. Bal.	1,333.16	(1,428.01)	2,761.17
2014	Township Assistance	Beg. Bal.	5,408.18	8,758.90	(3,350.72)
2014	Township	Disb.	10,906.67	11,814.89	(908.22)
2014	Township Assistance	Disb.	4,666.99	3,341.99	1,325.00
2014	Township	End. Bal.	5,929.71	2,260.32	3,669.39
2014	Township Assistance	End. Bal.	741.19	5,416.91	(4,675.72)
2015	Township	Beg. Bal.	5,929.71	2,260.32	3,669.39
2015	Township Assistance	Beg. Bal.	741.19	5,416.91	(4,675.72)
2015	Township	Receipts	11,361.57	11,310.35	51.22
2015	Township Assistance	Receipts	3,977.02	4,028.24	(51.22)
2015	Township	Disb.	12,203.16	11,786.38	416.78
2015	Township	End. Bal.	5,088.12	1,784.29	3,303.83
2015	Township Assistance	End. Bal.	2,515.25	7,242.19	(4,726.94)


Adjustments to the AFRs filed on Gateway were proposed to, approved, and made by the Trustee.

- The Township fund had an overdrawn cash balance of \$1,428.01, at December 31, 2013.
- Records presented indicated that the Township fund had disbursements of \$832.42 in excess of budgeted appropriations for 2013.
- The Township Clerk was paid without the Township withholding federal taxes and the Trustee, Township Clerk, and Township Board members were paid without the Township withholding state and local taxes during 2012, 2013, 2014, and 2015.
- W-2s were not issued to the Township Clerk for the years 2012, 2013, 2014, and 2015.
- Payments made for mowing of Township cemeteries were not always supported by a written contract during 2012, 2013, 2014, and 2015. Payments made for senior services were not supported by a written contract for 2012.
- Payments made for mowing Township cemeteries did not always comply with the amount in the written contract for 2012.

- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was incomplete for 2013 and 2014. The report did not include the Township Clerk information.*
- *Township assistance standards were not established in accordance with Indiana Code 12-20-5.5-1 for 2012, 2013, and 2014.*
- *The AFR was not published in accordance with Indiana Code 36-6-4-13 for 2014. The report was published on April 15, 2015, which is 29 days past the due date.*
- *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.*
- *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 AFR for 2012 was not filed electronically until March 12, 2013, which was 12 days past the due date.*

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 October 25, 2016, with Becky J. Steinhart, Trustee. Any Official Response attached to this letter was not verified for accuracy.


Paul D. Joyce, CPA
State Examiner