



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

B47227

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November 21, 2016

TO: THE OFFICIALS OF WASHINGTON TOWNSHIP, ELKHART COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Washington 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 Financial Report (AFR) filed on Gateway for 2012 contained errors and did not match the Township's records.*

<u>Year</u>	<u>Fund</u>	<u>Category</u>	<u>Amount per Gateway</u>	<u>Amount per Township Ledger</u>	<u>Difference</u>
2012	Fire Fighting	Receipts	\$ 115,527	\$ 265,527	\$ (150,000)
2012	Emergency Fire Loan	Receipts	253,718	103,718	150,000
2012	Fire Fighting	Ending Balance	662	150,662	(150,000)
2012	Emergency Fire Loan	Ending Balance	150,585	585	150,000

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

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2012	Rainy Day	\$ 18,500
2013	Emergency Fire Loan	27

- *Federal Form 1099 was not issued for office rent of \$4,500 paid to the Trustee each year.*
- *The Trustee was paid \$5,000 each year for payment towards health insurance premiums. The amounts paid to the Trustee were not reported on Form W-2.*
- *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.*

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 13, 2016, with Beuford H. Lee, Trustee. Any Official Response attached to this letter was not verified for accuracy.

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