



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

B47414

STATE BOARD OF ACCOUNTS
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December 30, 2016

TO: THE OFFICIALS OF GUILFORD TOWNSHIP, HENDRICKS COUNTY, INDIANA

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

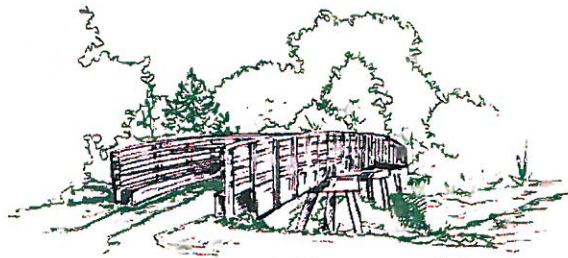
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was inaccurate. The 2013 100-R stated the park administrator's total compensation was \$40,321.52, but the park administrator actually was paid \$45,848. In 2015, the 100-R stated the park administrator's total compensation was \$43,030, but the total compensation paid to the park administrator was \$45,744.*
- *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 and 2013.*
- *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 and 2013.*
- *The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks for 2012. The back side or endorsement side of the checks was not returned.*

- *The Trustee did not record an individual Surety Bond in the County Recorder's office for 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 November 29, 2016, with Charles Ellis, Trustee, and Beth Harvey, Administrator. Any Official Response attached to this letter was not verified for accuracy.


Paul D. Joyce, CPA
State Examiner



Guilford Civil Township
Hendricks County
Charles D. Ellis, Trustee

This letter is in response to the State Board of Accounts Audit for the years 2012,2013,2014,2015.

- The certified report of compensation was misreported due to insurance premiums on the employee. This has been corrected in 2016.
- Nepotism and Contracting affidavits

Affidavits were signed and in effect by the Township Board and the Trustee for the years mentioned above; however, the verbiage on the statement wasn't in compliant with the SBOA guidelines. This has been corrected in 2016.

- Nepotism in Contracting

The resolution #2012-02 to adopt a policy on nepotism in contracting was created and in effect in 2012. This policy cited the wrong Indiana Code (IC 36-1-20.2) This was corrected in 2015. It was amended in resolution # 2015-05. The amendment cited the correct Indiana Code: IC 36-1-21.

- Cancelled Checks

Bank statements for the township are sent with front and back optical images of checks cleared. In 2012, some of the statements only included the front images of the checks. This was corrected.

- Bonds

Adequate bonds were purchased and in effect for all of the years: 2012, 2013, 2014 and 2015. The bonds were taken to the county clerk's office instead of the recorder's office. This has been corrected and these bonds have been recorded at the Hendricks County Recorder's office in 2016.

Charles Ellis, Trustee December 8, 2016

- *The certified report of compensation of officers and employees (Form 100-R or its equivalent) was inaccurate. The 2013 100R stated the park administrator's total compensation was \$40,321.52, but the park administrator actually was paid \$45,848 in 2013. In 2015, the 100R stated the park administrator's total compensation was \$43,030, but the total compensation paid to the park administrator was \$45,744.*
- *Each elected officer did not certify in writing that the officer had not violated IC 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 IC 36-1-21 (Contracting With a Unit) by December 31, 2012, 2013, 2014 and 2015.*
- *The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks for 2012. The back side or endorsement side of the checks was not returned.*
- *The trustee did not record an individual surety bond in the county recorder's office for 2012, 2013, 2014 and 2015.*