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B47684

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February 9, 2017

TO: THE OFFICIALS OF MADISON TOWNSHIP, CARROLL COUNTY, INDIANA

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

- *The official's bonds for the period were not filed in the Office of the County Recorder.*
- *The Township paid \$83,953.80 to the Delphi Fire Territory in 2012. The Township also paid \$3,000 and \$4,000 to the Citizens Cemetery in 2012 and 2013, respectively, for mowing. These payments were made without a contract.*
- *Madison Township did not comply with directives of the Internal Revenue Service related to the issuance of 1099 forms for rent paid to the Trustee. The amounts paid were \$1,000, \$1,000, \$800, and \$1,100 for the years 2012, 2013, 2014, and 2015, respectively.*

***Current Period Comments***

- *The Annual Financial Report (AFR) filed in Gateway for the period did not match the Township's records:*

| Years | Fund                | Category          | Amount per<br>AFR | Amount per<br>Township Ledger | Difference  |
|-------|---------------------|-------------------|-------------------|-------------------------------|-------------|
| 2012  | Township            | Beginning Balance | \$ 6,001.09       | \$ 6,315.63                   | \$ (314.54) |
| 2012  | Township            | Receipts          | 9,862.09          | 9,812.81                      | 49.28       |
| 2012  | Township            | Ending Balance    | 4,907.57          | 5,172.83                      | (265.26)    |
| 2013  | Township            | Beginning Balance | 9,815.14          | 5,172.83                      | 4,642.31    |
| 2013  | Township            | Disbursements     | 12,818.67         | 12,846.63                     | (27.96)     |
| 2013  | Township            | Ending Balance    | 6,331.91          | 1,661.64                      | 4,670.27    |
| 2013  | Township Assistance | Beginning Balance | 32,542.00         | 16,271.00                     | 16,271.00   |
| 2013  | Township Assistance | Ending Balance    | 33,335.56         | 17,064.56                     | 16,271.00   |
| 2013  | Fire Fighting       | Beginning Balance | 198.32            | 99.16                         | 99.16       |
| 2013  | Fire Fighting       | Receipts          | 199.22            | 99.61                         | 99.61       |
| 2013  | Fire Fighting       | Ending Balance    | 198.77            | -                             | 198.77      |
| 2013  | Cumulative Fire     | Beginning Balance | 130.02            | 65.01                         | 65.01       |
| 2013  | Cumulative Fire     | Disbursements     | 98.40             | 131.79                        | (33.39)     |
| 2013  | Cumulative Fire     | Ending Balance    | 98.40             | -                             | 98.40       |
| 2013  | Rainy Day           | Beginning Balance | 5,042.70          | 2,521.35                      | 2,521.35    |
| 2013  | Rainy Day           | Ending Balance    | 5,042.70          | 2,521.35                      | 2,521.35    |
| 2013  | Levy Excess         | Beginning Balance | 370.94            | 185.47                        | 185.47      |
| 2013  | Levy Excess         | Ending Balance    | 185.47            | -                             | 185.47      |
| 2014  | Township            | Beginning Balance | 6,331.91          | 1,661.64                      | 4,670.27    |
| 2014  | Township            | Receipts          | 10,917.05         | 8,316.48                      | 2,600.57    |
| 2014  | Township            | Disbursements     | 8,979.59          | 9,134.50                      | (154.91)    |
| 2014  | Township            | Ending Balance    | 8,269.37          | 843.62                        | 7,425.75    |
| 2014  | Township Assistance | Beginning Balance | 33,325.56         | 17,064.56                     | 16,261.00   |
| 2014  | Township Assistance | Ending Balance    | 31,695.00         | 15,434.00                     | 16,261.00   |
| 2014  | Fire Fighting       | Beginning Balance | 198.77            | -                             | 198.77      |
| 2014  | Fire Fighting       | Receipts          | 176.11            | 88.41                         | 87.70       |
| 2014  | Fire Fighting       | Disbursements     | 99.61             | 88.41                         | 11.20       |
| 2014  | Fire Fighting       | Ending Balance    | 275.27            | -                             | 275.27      |
| 2014  | Cumulative Fire     | Beginning Balance | 129.57            | -                             | 129.57      |
| 2014  | Cumulative Fire     | Receipts          | 72.89             | 36.59                         | 36.30       |
| 2014  | Cumulative Fire     | Disbursements     | 33.39             | 36.59                         | (3.20)      |
| 2014  | Cumulative Fire     | Ending Balance    | 169.07            | -                             | 169.07      |
| 2014  | Rainy Day           | Beginning Balance | 5,042.70          | 2,521.35                      | 2,521.35    |
| 2014  | Rainy Day           | Ending Balance    | 5,042.70          | 2,521.35                      | 2,521.35    |
| 2014  | Levy Excess         | Beginning Balance | 370.94            | -                             | 370.94      |
| 2014  | Levy Excess         | Ending Balance    | 370.94            | -                             | 370.94      |
| 2015  | Township            | Beginning Balance | 381.98            | 843.62                        | (461.64)    |
| 2015  | Township            | Disbursements     | 7,976.25          | 8,122.42                      | (146.17)    |
| 2015  | Township            | Ending Balance    | 3,169.42          | 3,484.89                      | (315.47)    |
| 2015  | Township Assistance | Beginning Balance | 15,424.00         | 15,434.00                     | (10.00)     |
| 2015  | Township Assistance | Ending Balance    | 12,277.00         | 12,287.00                     | (10.00)     |
| 2015  | Fire Fighting       | Beginning Balance | 176.11            | -                             | 176.11      |
| 2015  | Fire Fighting       | Disbursements     | 280.49            | 208.76                        | 71.73       |
| 2015  | Fire Fighting       | Ending Balance    | 104.38            | -                             | 104.38      |
| 2015  | Cumulative Fire     | Beginning Balance | 104.06            | -                             | 104.06      |
| 2015  | Cumulative Fire     | Disbursements     | 139.68            | 71.24                         | 68.44       |
| 2015  | Cumulative Fire     | Ending Balance    | 35.62             | -                             | 35.62       |
| 2015  | Levy Excess         | Beginning Balance | 185.47            | -                             | 185.47      |
| 2015  | Levy Excess         | Ending Balance    | 185.47            | -                             | 185.47      |


Some amounts in the Gateway column have been adjusted subsequent to the exit conference for the year 2015.

- There were no payroll taxes withheld from the Township Board members pay during the period and Form W-2 was not issued to them.
- The Township Board did not meet to approve the Annual Report during the period.

- *In 2012, the disbursements of the Fire Fighting fund exceeded budgeted appropriations in the amount of \$83,953.80.*

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 10, 2016, with Dwaine Ward, Trustee.

  
Paul D. Joyce, CPA  
State Examiner