



STATE OF INDIANA
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00000573A

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September 25, 2023

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), Carroll County, for the period of January 1, 2019 to December 31, 2022, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

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 Township's Annual Financial Reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: www.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.

Comments

BANK ACCOUNT RECONCILIATIONS

Condition and Context

The Township did not complete monthly bank reconciliations during the entire engagement period.

Criteria

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

ADOPTION OF, AND TRAINING ON, INTERNAL CONTROLS STANDARDS

This same comment appeared in prior Report B54942, entitled *TRAINING ON INTERNAL CONTROL STANDARDS*.

Condition and Context

The Township did not adopt an internal control policy or provide training to staff regarding internal control standards.

Criteria

Indiana Code 5-11-1-27(g) states:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that:

- (1) the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; and
- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

CERTIFICATION ON INTERNAL CONTROL STANDARDS

This same comment appeared in prior Report B54942.

Condition and Context

The Township incorrectly certified on the Annual Financial Report that an internal control policy had been adopted and that staff had been trained regarding internal control standards.

Criteria

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner as set forth in the uniform compliance guidelines. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

FUND SOURCES AND USES

Condition and Context

The Township posted 2019 and 2020 commercial vehicle excise tax distributions to its Fire Fighting fund instead of the Township Assistance fund. Additionally, license excise tax distributions in 2020 were not recorded in the Annual Financial Report.

Criteria

Sources and uses of funds must be limited to those authorized by the enabling law, ordinance/ resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

The Schedule of Cash and Investment Balances - Regulatory Basis is presented as other information. It has not been subjected to any auditing procedures, and, accordingly, we do not express an opinion or provide any assurance on it.

SCHEDULE OF CASH AND INVESTMENT
BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2022

| Fund | Cash and Investments 12-31-22 |
|---------------------|-------------------------------------|
| Township | \$ 26,884 |
| Township Assistance | 9,352 |
| Fire Fighting | 5 |
| Rainy Day | <u>2,521</u> |
| Total | <u>\$ 38,762</u> |

Any Official Response to the Comments, incorporated within this report, was not verified for accuracy.

The contents of this report were communicated to Dwaine Ward, Trustee, on September 14, 2023.

Respectfully,



Beth Kelley, CPA, CFE
Deputy State Examiner