



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

October 17, 2023

TO: THE OFFICIALS OF NORTH TOWNSHIP, LAKE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of North Township (Township), Lake 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 Gateway Website: [www.gateway.ifionline.org](http://www.gateway.ifionline.org).

The Comments contained herein describe the identified reportable instances of noncompliance found because of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

**Comments**

**TRAINING ON INTERNAL CONTROL STANDARDS**

*Condition and Context*

Township employees whose official duties included receiving, processing, depositing, disbursing, or otherwise having access to funds that belonged to the Township, had not received training over internal control standards that was developed or approved by the Indiana State Board of Accounts.

*Criteria*

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

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

- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

## CERTIFICATION ON INTERNAL CONTROL STANDARDS

### Condition and Context

The Township certified on the Indiana Gateway for Government Units financial reporting system that all personnel defined by Indiana Code 5-11-1-27(c) had received training concerning the internal control standards adopted by the Township; however, during the engagement, the Township could not provide supporting documentation showing all personnel had received training concerning the 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 not later than sixty (60) days after the close of each fiscal year. 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](#)."

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 As of December 31, 2022

Fund	Cash and Investments 12-31-22
TOWNSHIP	\$ 1,383,993
NON-REVERTING WP	29,123
RECREATION FUND (WP)	984,892
TOWNSHIP ASSISTANCE	5,706,269
CEMETERY OPERATING FUND	102,013
PAYROLL DEDUCTIONS	17,834
COS OPERATING	47,527
CUMULATIVE FUND (WP)	905,002
NON-REVERTING FUND TWP	224,661
TRANSPORTATION	72,579
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Total	<u>\$ 9,473,893</u>

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

The contents of this report were communicated to Adrian A. Santos, Trustee, on October 12, 2023.

Respectfully,



Beth Kelley, CPA, CFE  
Deputy State Examiner



# ADRIAN A. SANTOS

## NORTH TOWNSHIP TRUSTEE

### LAKE COUNTY INDIANA

Hammond Main Office | 5947 Hohman Ave. Hammond, IN 46320  
Tel: (219)932-2530 Fax: (219)937-4412

East Chicago Office | 2100 Broadway Suite 4 & 5 East Chicago, IN 46312  
Tel: (219)398-2435 Fax: (219)397-2190

Hammond Circle of Services | 2835 165th St. Hammond, IN 46320  
Tel: (219)803-0659

## OFFICIAL RESPONSE

October 16, 2023

Indiana State Board of Accounts  
302 West Washington St. Room E418  
Indianapolis, IN 46204-2765

On October 12, 2023, the North Township held their Exit Interview with two (2) representatives of State Board of Accounts (SBOA) who had conducted an audit covering the period of January 1, 2019, through December 31, 2022.

As the North Township Trustee, I took immediate steps to address the comments from the SBOA and would like to officially provide a response regarding the two (2) comments of note presented during the Exit Interview.

### Training on Internal Control Standards

It was discovered during the audit that Internal Control Standards training had not been completed for some employees since 2016 and for others, not at all. The North Township has implemented a training schedule going forward to ensure all applicable employees will participate in relevant trainings on an annual basis.

### Certification on Internal Control Standards

It was noted during the Exit Interview that a certification was completed on Gateway stating all personnel as defined by IC 5-11-1-27(c) had received the Internal Control Standards training, when in fact, that had not been the case. To address this situation, the employee who completed the information on Gateway has been spoken to and must now first compare a list of employees eligible for training to a list of those who have completed training before certification.

As Trustee, I will ensure all Internal Control Standards, trainings and policies adherent to Indiana Codes are followed and documented as such going forward.

Adrian A. Santos  
North Township Trustee