



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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October 11, 2023

TO: THE OFFICIALS OF DECATUR TOWNSHIP, MARION COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Decatur Township (Township), Marion 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 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**

**ANNUAL FINANCIAL REPORT - SMALL CLAIMS COURT**

*Condition and Context*

The Annual Financial Report for 2020, 2021, and 2022 did not include receipts, disbursements, and beginning and ending cash and investments for the Small Claims Court (Court). The Court's activity was not entered into the Indiana Gateway for Government Units financial reporting system and the financial statement activity is not reported.

*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](#)."

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

## **BANK ACCOUNT RECONCILIATIONS - SMALL CLAIMS COURT**

### *Condition and Context*

From January 1, 2019 to December 31, 2022, the Township Small Claims Court (Court) had not reconciled its bank account to the balance reflected in its ledger. The Court could not provide its financial activity for this period. The Court should provide to the Trustee annually a supplemental annual financial report of its financial activity.

### *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."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

## **STALE DATED OUTSTANDING CHECKS - SMALL CLAIMS COURT**

A similar comment was included in prior Reports B41303 and B48880, entitled *OLD OUTSTANDING CHECKS*, and B53138 and B53145, entitled *STALE DATED OUTSTANDING CHECKS*.

### *Condition and Context*

The bank reconciliation as of outstanding check listing as of December 31, 2019; December 31, 2020; December 31, 2021; and December 31, 2022, for the Court included checks dating back to 1991. Checks dated more than two years after December 31 of the year of issue should be receipted back into the Court's trust register. Once these are five years old, they should be reported and disbursed to the Indiana Attorney General as unclaimed property.

### *Criteria*

Indiana Code 5-11-10.5-2 states in part: "All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void. . . ."

Indiana Code 32-34-1-20(c) states in part:

"Property that is held, issued, or owed in the ordinary course of a holder's business is presumed abandoned if the owner or apparent owner has not communicated in writing with the holder concerning the property or has not otherwise given an indication of interest in the property during the following times: . . .

- (6) For property or proceeds held by a court or a court clerk, five (5) years after the property or proceeds become distributable. The property or proceeds must be treated as unclaimed property under [IC 32-34-3](#). . . ."

## MONTHLY AND ANNUAL UPLOADS

### *Condition and Context*

The files and governmental unit information that are required to be uploaded monthly include the bank reconcilements and the funds ledger, summarizing total receipts, disbursements, and balances by fund.

Annual upload requirements include the year-end bank statement, year-end outstanding check list, year-end investments, detail of receipt activity, detail of disbursement activity, and an annual vendor history report.

The Township did not comply with the State Examiner Directive and failed to upload all of the monthly or annual records to the Indiana Gateway for Government Units financial reporting system for January 1, 2019 to December 31, 2022.

### *Criteria*

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

Beginning with July 2018 files, which will be due September 15, 2018, **all** cities, towns, townships, libraries, and special districts will use the Upload App to upload files containing financial and governmental unit information on Gateway to allow the State Board of Accounts (SBOA) to conduct audit planning and audit processes prior to on-site work at a unit. (State Examiner Directive 2018-1)

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  
As of December 31, 2022

Fund	Cash and Investments 12-31-22
GENERAL FUND	\$ 635,850
POOR RELIEF	330,756
FIRE FIGHTING FUND	12,654,409
RAINY DAY FUND	276,349
EXCESS LEVY	-
CUMULATIVE FIRE FUND	749,088
PAYROLL DEDUCTIONS	-
FEDERAL GRANTS	(63,465)
SMALL CLAIMS COURT	3,153
Totals	<u>\$ 14,586,140</u>

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

The contents of this report were communicated to Jason Holiday, Trustee; Tammy Davis, Office Manager; David Knight, Chair of the Township Board; Josh Masquelier, Township Board member; Pascal Arnes, Fire Chief; and Jonathan Sturgill, Small Claims Court Judge, on September 26, 2023.

Respectfully,



Beth Kelley, CPA, CFE  
Deputy State Examiner