



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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January 16, 2024

TO: THE OFFICIALS OF LIBERTY TOWNSHIP, WARREN COUNTY, INDIANA

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

***ADOPTION OF, AND TRAINING ON, INTERNAL CONTROL STANDARDS***

***Condition and Context***

The Township had not adopted the acceptable minimum level of internal control standards as defined by the Indiana State Board of Accounts.

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:

- (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**

### *Condition and Context*

The Township certified on the Indiana Gateway for Government Units financial reporting system for 2019-2022 that it had adopted the minimum internal control standards as required by Indiana Code 5-11-1-27(e) and that personnel defined by IC 5-11-1-27(c) received training concerning the internal control standards adopted by the unit; however, during the engagement, evidence of the adopted standards or completed training was not provided.

### *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](#)."

## **SUPPORTING DOCUMENTATION**

A similar comment also appeared in the prior Report B55217, entitled *ERRORS ON CLAIMS*.

### *Condition and Context*

The Township did not have proper supporting documentation for 4 of 11 disbursements tested from the Township Assistance fund to Duke Energy and Skel Gas totaling \$1,303 and \$500, respectively. The support provided for these disbursements was not for the correct period or amount of assistance that was provided.

The Township did not have proper supporting documentation for 1 of 18 disbursements tested from the Township fund to USPS for \$55. An invoice to support this disbursement was not available.

### *Criteria*

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for examination to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

## **DONATIONS**

### *Condition and Context*

The Township made a donation from the Township fund to Mac Van in the amount of \$2,000 without any documentation or contract.

### *Criteria*

Public funds cannot be donated or given to other organizations or individuals unless specifically authorized by law. (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	\$ 8,095
Township Assistance	11,540
Fire Fighting	<u>1</u>
Total	<u>\$ 19,636</u>

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

The contents of this report were communicated to Tammera D. Lucas, Trustee, and Margaret Fink, Chair of the Township Board, on December 6, 2023.

Respectfully,



Beth Kelley, CPA, CFE  
Deputy State Examiner