



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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November 29, 2023

TO: THE OFFICIALS OF GREEN TOWNSHIP, NOBLE COUNTY, INDIANA

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

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

Condition and Context

The Township reported its financial activity into the Indiana Gateway for Government Units financial reporting system, which is the source of the Annual Financial Report (AFR). The AFR was less than the Township's fund ledger for each year as follows:

<u>Years</u>	<u>Amounts</u>
2019	\$ 16,006
2020	14,854
2021	14,854
2022	14,821

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](#)."

OFFICE RENTAL POLICY

Condition and Context

The Township did not have a policy to ensure that office rent expenses paid to the Trustee are considered reasonable.

Criteria

The annual appropriations of a township for the expenses of renting an office and telephone expenses must, as nearly as is possible, be equal to the actual cost of those items. If the township trustee uses a part of his residence as his office, the township board shall appropriate a reasonable sum for that office space. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 2)

PENALTIES, INTEREST, AND OTHER CHARGES

Condition and Context

The Township paid \$384 in penalties, interest, and other charges for late payments to the Internal Revenue Service.

Criteria

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the unit. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the unit. Any penalties, interest, or other charges paid by the unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

CAPITAL ASSETS

Condition and Context

The Township did not adopt a capital asset policy that detailed the threshold at which an item is considered a capital asset, complete a physical inventory of capital assets, or prepare a detailed listing of capital assets.

Criteria

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

ADOPTION OF 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.

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; . . ."

CERTIFICATION ON INTERNAL CONTROL STANDARDS

Condition and Context

The Township incorrectly certified on its Annual Financial Reports that the Township had adopted internal control standards; however, the Township had not adopted 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
For the Year Ended December 31, 2022

Fund	Cash and Investments 12-31-22
Township	\$ 62,619
Park And Recreation	2,587
Township Assistance	10,932
Rainy Day Fund	1,147
Fire Fighting	<u>33,784</u>
Total	<u>\$ 111,069</u>

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

The contents of this report were communicated to Michelle Pippenger, Trustee, on November 27, 2023.

Respectfully,



Beth Kelley, CPA, CFE
Deputy State Examiner