

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

SUPPLEMENTAL COMPLIANCE REPORT

OF

ANDERSON TOWNSHIP

MADISON COUNTY, INDIANA

January 1, 2018 to December 31, 2022



FILED

12/28/2023

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	John Bostic, Jr.	01-01-18 to 12-31-18
	Mike Shively	01-01-19 to 12-31-23
Chair of the Township Board	Aaron Higgins	01-01-18 to 12-31-18
	Janette Mansfield-Stith	01-01-19 to 08-14-19
	Leo Williams	08-15-19 to 12-31-20
	Larry Russell	01-01-21 to 12-31-22
	Kevin Sulc	01-01-23 to 12-31-23



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE ANDERSON TOWNSHIP, MADISON COUNTY, INDIANA

This report is supplemental to the audit report of the Anderson Township (Township), for the period from January 1, 2018 to December 31, 2022. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the Township. It should be read in conjunction with the Financial Statements Audit Report of the Township, which provides our opinions on the Township's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

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

Beth Kelley, CPA, CFE
Deputy State Examiner

November 30, 2023

ANDERSON TOWNSHIP, MADISON COUNTY
AUDIT RESULTS AND COMMENTS

COMPENSATION AND BENEFITS

Condition and Context

There were 7 of the 23 employees selected for testing that were paid at rates that could not be traced directly to the salary ordinance. There were 5 employees that were paid at rates less than the salary ordinance. The Township indicated that the salary ordinance reflected maximum amounts as opposed to actual salaries.

There were 2 other employees that were paid at rates greater than the salary ordinance.

Criteria

Indiana Code 36-6-6-10(c) states in part: "The township legislative body shall fix the compensation of all officers and employees of the township. Compensation shall be established using an annual, monthly, or biweekly salary schedule. . . ."

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

CAPITAL ASSETS

Condition and Context

The Township did not have a capital assets policy that detailed the threshold at which an item is considered a capital asset or a record of inventory taken at least every two years. The Township had a categorized listing of three items owned, not a complete listing of all items owned reflecting their acquisition value.

ANDERSON TOWNSHIP, MADISON COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

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)

CONDITION OF RECORDS

Condition and Context

During the audit period, the Township completed monthly bank reconciliements. The monthly reconciliements included unidentified variances. The December 31, 2018 bank reconciliation included a cash long of \$5,757. The December 31, 2019 bank reconciliation included a cash short of \$5,930. The December 31, 2020 bank reconciliation included a cash short of \$4,466. The December 31, 2021 bank reconciliation included a cash short of \$5,375. The December 31, 2022 bank reconciliation included a cash long of \$3,874.

Criteria

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)

ANDERSON TOWNSHIP, MADISON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 30, 2023, with Mike Shively, Trustee; Kevin Sulc, Chair of the Township Board; and Phil Herbig, Township Board member.