



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

75909A

STATE BOARD OF ACCOUNTS
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April 9, 2024

TO: THE OFFICIALS OF LINCOLN TOWNSHIP, WHITE COUNTY, INDIANA

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

100R - CERTIFIED REPORT FILED AFTER DUE DATE

Condition and Context

The Township's Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100R) for 2021 was not filed electronically until March 16, 2022, which was 44 days past the due date. Its 100R for 2022 was not filed until February 2, 2023, which was 2 days past the due date.

Criteria

Indiana Code 5-11-13-1(b) states:

"Each audited entity shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of the officers, employees, and agents of the audited entity. The report shall indicate the respective duties and compensation of each officer, employee, and agent of the audited entity. The audited entity shall file the report in the office of the state examiner of the state board of accounts. The report must also indicate whether the political subdivision offers a health plan, a pension, and other benefits to full-time and part-time employees. However, no more than one (1) report covering the same officers, employees, and agents need be made from the state or any county, city, town, township, or school unit in any one year. The certification must be filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

ADOPTION OF, AND TRAINING ON, INTERNAL CONTROL STANDARDS

The same comment also appeared in prior Report B54756.

Condition and Context

The Township Board did not adopt the minimum internal control standards and procedures or ensure that personnel were properly trained as required under Indiana Code 5-11-1-27(g).

Criteria

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

"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

The same comment also appeared in prior Report B54756.

Condition and Context

The Township certified on the Indiana Gateway for Government Units financial reporting system that the Township Board had adopted internal control standards and appropriate personnel were trained on the internal control standards. However, the Township Board had not adopted internal control standards and personnel did not receive the internal control training.

Criteria

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited 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](#)."

NEPOTISM CERTIFICATION

This same comment appeared in a Management Letter addressed to the Officials of the Township for the Review period ending December 31, 2018.

Condition and Context

Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31 of any year during the examination period.

Criteria

Indiana Code 36-1-20.2-16 states: "Each elected officer of the unit shall annually certify in writing, subject to the penalties for perjury, that the officer has not violated this chapter. An officer shall submit the certification to the executive of the unit not later than December 31 of each year."

SUPPORTING DOCUMENTATION

Condition and Context

The Township was unable to provide supporting documents for 7 of the 30 disbursements tested, totaling \$57,869. This included 4 of 6 disbursements for contractual services totaling \$55,425 for which the Township was unable to provide a contract.

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)

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (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

<u>Fund</u>	<u>Cash and Investments 12-31-22</u>
Township	\$ 121,641
Township Assistance	34,530
Fire Fighting	111,405
Rainy Day	5,348
Cumulative Fire	<u>37,326</u>
Total	<u>\$ 310,250</u>

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

The contents of this report were communicated to Jeff Faker, Trustee, and Alan Sickler, Township Board member, on February 23, 2024.

Respectfully,

A handwritten signature in blue ink that reads "Beth Kelley". The signature is written in a cursive style with a large initial "B".

Beth Kelley, CPA, CFE
Deputy State Examiner