

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

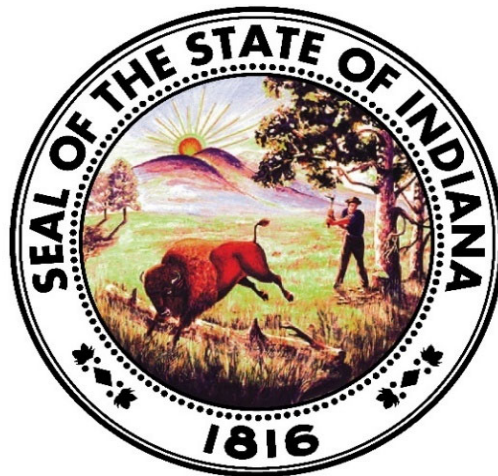
COMPLIANCE ENGAGEMENT REPORT

OF

YORK TOWNSHIP

NOBLE COUNTY, INDIANA

January 1, 2020 to December 31, 2023



**FILED**  
07/10/2024



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Linda Kerlin Eileen Wacker	01-01-20 to 12-31-22 01-01-23 to 12-31-24
Chair of the Township Board	Lee McGuire Danny Parker	01-01-20 to 12-31-23 01-01-24 to 12-31-24



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

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

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of York Township (Township), for the period of January 1, 2020 to December 31, 2023. The objective of this engagement was to determine compliance with applicable Indiana laws, regulations, and uniform compliance guidelines (Guidelines) established by the Indiana State Board of Accounts pursuant to Indiana Code 5-11-1-24. The objective of this engagement is not to opine on compliance or financial activity of the Township as this engagement was not conducted in accordance with any standards established by an authoritative standard setting body, and, as such, we do not provide any opinions on compliance or financial activity.

Management is responsible for preparing and maintaining its accounting records and related documents in accordance with applicable Indiana laws, regulations, and Guidelines. Management's responsibility also includes, but is not limited to, complying with other applicable Indiana laws, regulations, and Guidelines concerning how it operates: authorized sources and uses of funds; what reports are required to be prepared and filed; and what depositories and investment types are allowable.

We fulfilled our responsibility, as detailed in the first paragraph, using procedures that verified the appropriate accounting for and reporting of cash, receipts, and disbursements; and the appropriate sources and uses of funds in accordance with applicable Indiana laws, regulations, and Guidelines. Expanding the scope and nature of these procedures can and does occur in specific circumstances.

The Comments contained herein, if any, describe the identified reportable instances of noncompliance found during our engagement. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified. Any Official Response to the Comments incorporated within this report was not verified for accuracy.

The Schedule of Officials and Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis (Statements) are informational only. The Statements have not been subjected to any procedures designed to express an opinion or provide any assurance on them, and, accordingly, we do not express an opinion or provide any assurance on them.

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. Reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>, and the Township's Annual Financial Reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: <http://www.gateway.ifionline.org>.

The contents of this report were communicated to Eileen Wacker, Trustee, and Lee McGuire, Township Board member, on July 2, 2024.



Beth Kelley, CPA, CFE  
Deputy State Examiner

May 9, 2024

YORK TOWNSHIP, NOBLE COUNTY  
COMMENTS

**SUPPORTING DOCUMENTATION**

*Condition and Context*

During the engagement, 40 disbursements were tested for compliance. Due to an internal control deficiency, all the disbursements selected for testing were unable to be verified to a canceled check image because the Township was not able to provide the images. The total dollar amount of disbursements tested was \$61,534.

*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)

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes. . . ."

**MONTHLY AND ANNUAL UPLOADS**

*Condition and Context*

Annual upload requirements include the year-end investment statements, detail of receipt activity, detail of disbursement activity, current year salary ordinance, annual vendor history report, annual payroll history report, without social security numbers, and the annual funds ledger, summarizing year-to-date total receipts, year-to-date disbursements, and beginning and ending balances by fund. In 2023, in addition to the requirements listed, the Township must also upload a personnel policy.

Due to an internal control deficiency, the Township did not comply with the State Examiner Directive and did not upload any of the required annual uploads on the Indiana Gateway for Government Units (Gateway) financial reporting system for 2020, 2021, and 2022. Additionally, the Township did not upload a vendor history report or a personnel policy on Gateway in 2023.

*Criteria*

All counties, cities, towns, townships, libraries, schools, and special districts will use the Engagement Uploads to upload files containing financial and governmental unit information on Gateway to allow the SBOA to conduct audit planning and audit processes prior to on-site work at a unit. This remote process will provide for more efficient data processing and save audit costs for our clients. (Amended State Examiner Directive 2018-1, Updated November 9, 2020, and effective with uploads due February 15, 2021)

YORK TOWNSHIP, NOBLE COUNTY  
COMMENTS  
(Continued)

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)

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***PRESCRIBED FORMS***

*Condition and Context*

Due to an internal control deficiency, the Township did not properly maintain the prescribed form Notice of Township Assistance Action (TA-1A) during testing of Township assistance disbursements. All disbursements that were tested in 2020, 2021, and 2022 did not include a completed TA-1A form. Total township assistance disbursements tested for that period amounted to \$5,820.

*Criteria*

Officials and employees are required to use prescribed and approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

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STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH  
AND INVESTMENT BALANCES - REGULATORY BASIS

YORK TOWNSHIP, NOBLE COUNTY  
 STATEMENT OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Years Ended December 31, 2020 and 2021

Fund	Cash and Investments 01-01-20	Receipts	Disbursements	Cash and Investments 12-31-20	Receipts	Disbursements	Cash and Investments 12-31-21
Township	\$ 155,936	\$ 34,634	\$ 64,129	\$ 126,441	\$ 33,383	\$ 88,275	\$ 71,549
Park And Recreation	26,211	3,784	3,100	26,895	3,665	3,300	27,260
Township Assistance	39,067	3,479	1,632	40,914	3,350	2,081	42,183
Fire Fighting	183,691	68,405	45,981	206,115	68,957	48,361	226,711
Rainy Day	<u>2,808</u>	<u>-</u>	<u>2,500</u>	<u>308</u>	<u>-</u>	<u>300</u>	<u>8</u>
Totals	<u>\$ 407,713</u>	<u>\$ 110,302</u>	<u>\$ 117,342</u>	<u>\$ 400,673</u>	<u>\$ 109,355</u>	<u>\$ 142,317</u>	<u>\$ 367,711</u>

YORK TOWNSHIP, NOBLE COUNTY  
 STATEMENT OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Years Ended December 31, 2022 and 2023

Fund	Cash and Investments 01-01-22	Receipts	Disbursements	Cash and Investments 12-31-22	Receipts	Disbursements	Cash and Investments 12-31-23
Township General	\$ 71,549	\$ 33,157	\$ 14,452	\$ 90,254	\$ 56,963	\$ 27,406	\$ 119,811
Parks And Recreation	27,259	3,650	2,800	28,109	3,429	3,500	28,038
Township Assistance	42,184	3,297	2,329	43,152	3,155	2,480	43,827
Fire Fighting	226,711	71,451	47,361	250,801	57,187	48,782	259,206
Rainy Day	8	-	-	8	-	-	8
Payroll Withholding	-	-	-	-	3,500	-	3,500
<b>Totals</b>	<b><u>\$ 367,711</u></b>	<b><u>\$ 111,555</u></b>	<b><u>\$ 66,942</u></b>	<b><u>\$ 412,324</u></b>	<b><u>\$ 124,234</u></b>	<b><u>\$ 82,168</u></b>	<b><u>\$ 454,390</u></b>



OFFICIAL RESPONSE TO THE RESIDENTS OF YORK TOWNSHIP  
and  
THE STATE BOARD OF ACCOUNTS of INDIANA

Date: July 8, 2024

Indiana State Board of Accounts  
302 West Washington St. Room E418  
Indianapolis, IN 46204-2765

Re: SUPPORTING DOCUMENTATION

The township has requested both front and back imaging of all canceled checks beginning with January, 2024, from our financial institution in preparation for our next engagement.

Re: MONTHLY AND ANNUAL UPLOADS

The computer from the 10 years prior to July, 2023, when the township purchased a new laptop, is no longer in working order, so if the Internal Controls Policy from 2018 is part of the records on that machine, it is not available. The board will be working on a new Internal Controls Policy, and will have it for public inspection after the next board meeting in September, 2024.

We at the township office have records dating back to the early 2000's, so no records have been destroyed. We have been unable to find record of the January 25, 2018, Internal Controls Policy in the storage items from the previous office holder.

For the year of 2023, which are the records directly under this office's control, all records are saved as electronic. I apologize for the oversight, and have any records that our community may desire to see.

Re: PRESCRIBED FORMS

The TA-1A forms for 2023 onward, are being filed for Township Assistance disbursements in the township office.

Eileen Wacker

York Township Trustee

