

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

**Paul D. Joyce, CPA  
State Examiner**

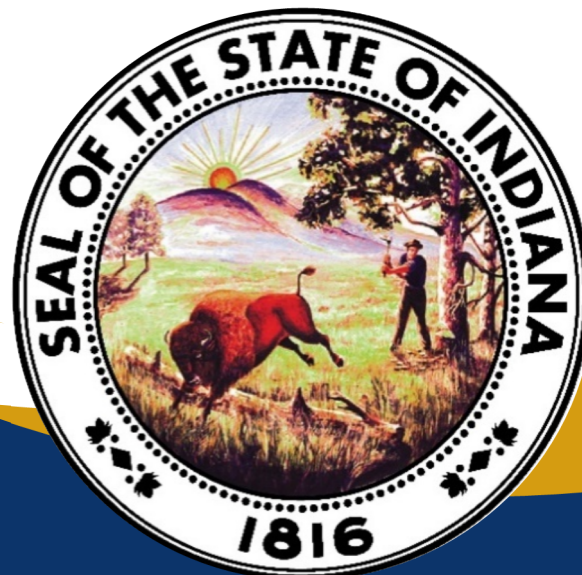
COMPLIANCE ENGAGEMENT REPORT

OF

CURRY TOWNSHIP

SULLIVAN COUNTY, INDIANA

January 1, 2020 to December 31, 2023



**FILED**

04/29/2025



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Brenda S. Howard	01-01-20 to 12-31-25
Chair of the Township Board	Lorraine Pleus Sandi Wells	01-01-20 to 09-04-23 09-05-23 to 12-31-25



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State Examiner

## INDIANA STATE BOARD OF ACCOUNTS

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ROOM E418  
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TO: THE OFFICIALS OF CURRY TOWNSHIP, SULLIVAN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Curry 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 Brenda S. Howard, Trustee, and Donna Power, Secretary of the Township Board, on April 15, 2025.



Beth Kelley, CPA, CFE  
Deputy State Examiner

April 7, 2025

CURRY TOWNSHIP, SULLIVAN COUNTY  
COMMENTS

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

This is a repeat comment from prior Report B55479, entitled *ADOPTION OF AND TRAINING AND CERTIFICATION OF INTERNAL CONTROL STANDARDS*.

*Condition and Context*

Due to the lack of internal controls, the Township Board had not adopted the minimum level of internal controls as required by statute, nor had they provided the required training on internal control standards to appropriate personnel.

*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."

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.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

**CERTIFICATION ON INTERNAL CONTROL STANDARDS**

This is a repeat comment from prior Report B55479, entitled *CERTIFICATION ON INTERNAL CONTROL STANDARDS*.

*Condition and Context*

Due to the lack of internal controls, the Trustee incorrectly certified on the Indiana Gateway for Government Units financial reporting system for the engagement period that the Township had adopted and trained personnel on internal control standards.

CURRY TOWNSHIP, SULLIVAN COUNTY  
COMMENTS  
(Continued)

*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 as set forth in the uniform compliance guidelines. 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](#)."

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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**100R - CERTIFIED REPORT FILED AFTER DUE DATE**

*Condition and Context*

Due to the lack of internal controls, the Township failed to timely submit its Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100R) for three of the four years of the engagement period as follows:

- 2020 was submitted on March 2, 2021, which was 29 days late.
- 2021 was submitted on March 16, 2022, which was 44 days late.
- 2023 was submitted on March 14, 2024, which was 43 days late.

CURRY TOWNSHIP, SULLIVAN COUNTY  
 COMMENTS  
 (Continued)

*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](#)."

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**OVERDRAWN CASH BALANCES**

This is a repeat comment from a Management Letter communicated to the Township Officials dated June 11, 2020, entitled *OVERDRAWN CASH BALANCES*.

*Condition and Context*

Due to the lack of internal controls, the Township had an overdrawn fund as noted in the following schedule throughout the engagement period:

Fund	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
PAYROLL DEDUCTIONS	\$ 1,227	\$ 1,411	\$ 1,471	\$ 1,231

CURRY TOWNSHIP, SULLIVAN COUNTY  
COMMENTS  
(Continued)

The Township needs to take action to determine why this fund continues to be overdrawn and make appropriate actions to correct it.

*Criteria*

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

When it is determined that an error has been posted in the financial records, the error must be corrected in a timely manner. The correction of the error should be dated as of the date that the correction occurred and should not be back dated to the date the error occurred. The adjustment should be labeled as a correcting entry. All documentation of the error and the adjustments must be maintained to support the correction. (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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**CAPITAL ASSETS**

*Condition and Context*

Due to the lack of internal controls, the Township disclosed that they had not established a capital asset policy nor did they have a capital assets ledger. As a result, the amounts reported by the Township on the Indiana Gateway for Government Units financial reporting system for capital assets, as noted below, could not be verified:

- In 2020, the Schedule of Capital Assets was reported in the amount of \$586,500.
- In 2021, the Schedule of Capital Assets was reported in the amount of \$592,500.
- In 2023, the Schedule of Capital Assets was reported in the amount of \$1,160,500.

CURRY TOWNSHIP, SULLIVAN COUNTY  
COMMENTS  
(Continued)

*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 as set forth in the uniform compliance guidelines. 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](#)."

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)

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

CURRY TOWNSHIP, SULLIVAN 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 FUND	\$ 207,458	\$ 69,516	\$ 50,497	\$ 226,477	\$ 74,145	\$ 53,724	\$ 246,898
POOR RELIEF	43,873	27,574	25,234	46,213	27,250	22,242	51,221
FIRE TERRITORY FUND	117,615	223,605	233,904	107,316	206,348	199,346	114,318
DONATION/FUNDRAISING-FIRE TERRITORY	1,040	-	-	1,040	-	-	1,040
FIRE TERRITORY AMBULANCE FUND	2,776	-	-	2,776	-	-	2,776
FIRE EQUIPMENT REPLACEMENT	106,573	88,838	165,571	29,840	31,555	-	61,395
PAYROLL DEDUCTIONS	(939)	6,454	6,742	(1,227)	6,454	6,638	(1,411)
Totals	<u>\$ 478,396</u>	<u>\$ 415,987</u>	<u>\$ 481,948</u>	<u>\$ 412,435</u>	<u>\$ 345,752</u>	<u>\$ 281,950</u>	<u>\$ 476,237</u>

CURRY TOWNSHIP, SULLIVAN 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 FUND	\$ 246,897	\$ 81,490	\$ 62,691	\$ 265,696	\$ 83,100	\$ 55,363	\$ 293,433
POOR RELIEF	51,223	28,265	28,265	51,223	27,699	23,807	55,115
FIRE TERRITORY FUND	114,316	205,857	185,600	134,573	207,692	255,571	86,694
FIRE TERRITORY AMBULANCE FUND	2,776	-	-	2,776	-	-	2,776
FIRE EQUIPMENT REPLACEMENT	61,395	32,450	-	93,845	34,431	-	128,276
PAYROLL DEDUCTIONS	(1,410)	6,896	6,957	(1,471)	6,896	6,656	(1,231)
DONATION/FUNDRAISING-FIRE TERRITORY	1,040	500	350	1,190	2,483	1,089	2,584
Totals	<u>\$ 476,237</u>	<u>\$ 355,458</u>	<u>\$ 283,863</u>	<u>\$ 547,832</u>	<u>\$ 362,301</u>	<u>\$ 342,486</u>	<u>\$ 567,647</u>