

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

COMPLIANCE ENGAGEMENT REPORT

OF

TAYLOR TOWNSHIP

GREENE COUNTY, INDIANA

January 1, 2020 to December 31, 2023



**FILED**

11/06/2024



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SCHEDULE OF OFFICIALS

| <u>Office</u>               | <u>Official</u>  | <u>Term</u>          |
|-----------------------------|------------------|----------------------|
| Trustee                     | Kristi Hartzburg | 01-01-20 to 12-31-24 |
| Chair of the Township Board | Steven Rollins   | 01-01-20 to 12-31-24 |



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF TAYLOR TOWNSHIP, GREENE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Taylor 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 Kristi Hartzburg, Trustee, and Randall Baker, Township Board member, on October 16, 2024.



Beth Kelley, CPA, CFE  
Deputy State Examiner

August 27, 2024

TAYLOR TOWNSHIP, GREENE COUNTY  
COMMENTS

**INTERNAL CONTROLS**

*Condition and Context*

The following areas did not have proper internal controls in place to ensure compliance with laws, regulations, and Guidelines:

- Capital Assets
- Supporting Documentation - Contracts
- Prescribed Forms - Township Assistance

*Criteria*

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. . . ."

**CAPITAL ASSETS**

*Condition and Context*

The Township reported capital assets on the Annual Financial Report totaling \$1,288,682. The detailed capital asset ledger provided does not support this amount but instead totals \$1,819,000. The Township also did not complete a physical inventory of assets at least every two years to verify account balances in the accounting records.

*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)

TAYLOR TOWNSHIP, GREENE COUNTY  
COMMENTS  
(Continued)

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](#)."

**SUPPORTING DOCUMENTATION - CONTRACTS**

*Condition and Context*

The Township did not provide contracts for mowing services to the Big Bear Ridge LLC for the engagement period of 2020 to 2023. The Township paid the Big Bear Ridge LLC \$4,200 annually from 2020-2022 and \$4,400 in 2023 for mowing services.

*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 validating 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)

**PRESCRIBED FORMS - TOWNSHIP ASSISTANCE**

*Condition and Context*

Required forms prescribed by the Indiana State Board of Accounts were not in use for Township Assistance. Of the 15 Township Assistance applications tested, we noted the following:

- There was 1 Township Assistance disbursement that did not have a TA-1A - Notice of Township Assistance Action.
- There were 11 Township Assistance disbursements that did not have a TA-2 - Township Assistance Purchase Order.

*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)

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

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

| Fund                    | Cash and<br>Investments<br>01-01-20 | Receipts          | Disbursements     | Cash and<br>Investments<br>12-31-20 | Receipts          | Disbursements     | Cash and<br>Investments<br>12-31-21 |
|-------------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|
| TOWNSHIP FUND           | \$ 20,769                           | \$ 36,918         | \$ 23,749         | \$ 33,938                           | \$ 45,083         | \$ 25,411         | \$ 53,610                           |
| EMERGENCY MEDICAL/FIRE  | 11,471                              | 39                | 11,277            | 233                                 | 20                | -                 | 253                                 |
| PARKS AND RECREATION    | 17,262                              | -                 | 1,291             | 15,971                              | -                 | 1,234             | 14,737                              |
| TOWNSHIP ASSISTANCE     | 9,578                               | 2,173             | 575               | 11,176                              | 2,343             | 400               | 13,119                              |
| FIRE FIGHTING FUND      | 6,461                               | 54,536            | 25,739            | 35,258                              | 55,497            | 26,907            | 63,848                              |
| RAINY DAY FUND          | 2,277                               | -                 | -                 | 2,277                               | -                 | -                 | 2,277                               |
| CUMULATIVE FIRE         | 91,086                              | 7,240             | -                 | 98,326                              | 10,955            | -                 | 109,281                             |
| SMITH CEMETERY DONATION | 500                                 | -                 | -                 | 500                                 | -                 | -                 | 500                                 |
| PAYROLL DEDUCTIONS      | 446                                 | 1,229             | 1,481             | 194                                 | 1,229             | 1,229             | 194                                 |
| FIRE BUILDING DEBT      | 23,255                              | 45,425            | 46,000            | 22,680                              | 46,384            | 46,000            | 23,064                              |
| Donations               | 769                                 | -                 | -                 | 769                                 | -                 | -                 | 769                                 |
| Totals                  | <u>\$ 183,874</u>                   | <u>\$ 147,560</u> | <u>\$ 110,112</u> | <u>\$ 221,322</u>                   | <u>\$ 161,511</u> | <u>\$ 101,181</u> | <u>\$ 281,652</u>                   |

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

| Fund                    | Cash and<br>Investments<br>01-01-22 | Receipts          | Disbursements     | Cash and<br>Investments<br>12-31-22 | Receipts          | Disbursements     | Cash and<br>Investments<br>12-31-23 |
|-------------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|
| TOWNSHIP FUND           | \$ 53,611                           | \$ 51,317         | \$ 25,533         | \$ 79,395                           | \$ 79,587         | \$ 27,907         | \$ 131,075                          |
| EMERGENCY MEDICAL/FIRE  | 254                                 | -                 | -                 | 254                                 | -                 | -                 | 254                                 |
| PARKS AND RECREATION    | 14,737                              | -                 | 1,200             | 13,537                              | -                 | 1,400             | 12,137                              |
| TOWNSHIP ASSISTANCE     | 13,118                              | -                 | 1,552             | 11,566                              | -                 | 1,250             | 10,316                              |
| FIRE FIGHTING FUND      | 63,849                              | 55,082            | 38,638            | 80,293                              | 41,633            | 31,132            | 90,794                              |
| RAINY DAY FUND          | 2,277                               | -                 | -                 | 2,277                               | -                 | -                 | 2,277                               |
| CUMULATIVE FIRE         | 109,282                             | 15,243            | 59,292            | 65,233                              | 17,585            | -                 | 82,818                              |
| SMITH CEMETERY DONATION | 500                                 | -                 | -                 | 500                                 | -                 | -                 | 500                                 |
| PAYROLL DEDUCTIONS      | 194                                 | 1,229             | 1,326             | 97                                  | 1,327             | 1,327             | 97                                  |
| FIRE BUILDING DEBT      | 23,064                              | 45,353            | 46,000            | 22,417                              | 46,876            | 46,000            | 23,293                              |
| Donations               | 769                                 | -                 | -                 | 769                                 | -                 | -                 | 769                                 |
| Totals                  | <u>\$ 281,655</u>                   | <u>\$ 168,224</u> | <u>\$ 173,541</u> | <u>\$ 276,338</u>                   | <u>\$ 187,008</u> | <u>\$ 109,016</u> | <u>\$ 354,330</u>                   |