



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B46162

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

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

April 14, 2016

TO: THE OFFICIALS OF SHELBY TOWNSHIP, JEFFERSON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Shelby Township (Township), for the period of January 1, 2010 to December 31, 2013, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Our procedures were designed solely to satisfy the requirements of Indiana Code 5-11-1. Because our procedures were not designed to opine on the Township's financial statements, we did not follow auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any basic financial statement of the Township.

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 for years prior to 2011 can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/. For years 2011 and later, the Annual Financial Reports filed by the Township can be found on the Gateway website: <https://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.


Current Period Comments

- *Depository reconciliations of the fund balances to the bank account balances were not presented for review for any of the months during the review period.*
- *The records presented for review indicated the Nonreverting School Building Fund disbursements of \$4,296.40 for 2011 were expended without obtaining budgeted appropriations.*
- *Two appraisals were not obtained as required by Indiana Code 36-1-11-4 for the sale of real property in 2011.*
- *Form W-2, Wage and Tax Statements for 2010 were not presented for any of the Township employees.*

- *The Township did not have a Nepotism Policy for 2012 and 2013.*
- *Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 2012, and December 31, 2013.*
- *The Township did not have a Contracting Policy for 2012 and 2013.*
- *Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 2012, and December 31, 2013.*
- *The Certified Reports of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was inaccurate. The 2013 Form 100-R stated that total compensation was \$7295.65, \$2,233.95, and \$441.43 for the Trustee, Township Clerk, and each Township Board, respectively; however, the actual amount paid was \$7,900, \$2,419, and \$478, for the Trustee, Township Clerk, and each Township Board member, respectively.*

This letter is intended for the information and use of the governing body and management of the Township. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The contents of this letter were discussed on December 10, 2014, with Gale Ferris Sr., Trustee.


Paul D. Joyce, CPA
State Examiner