



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B46164

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April 14, 2016

TO: THE OFFICIALS OF JOHNSON TOWNSHIP, KNOX COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Johnson Township (Township), for the period of January 1, 2011 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 *generally accepted auditing standards*. 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

- *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 or 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 or 2013.*
- *The Trustee did not obtain a new bond for each year. He had an annual continuation certificate on file with the County Recorder in the amount of \$30,000.*
- *In 2011 and 2013, the Township paid a Board member \$275 and \$363.83, respectively, in advance of services being provided.*
- *The Township did not fix salaries of Township officers and employees for 2011, 2012, or 2013.*

- *The Annual Financial Report filed on Gateway for 2011 contained errors and did not properly*

<u>Year</u>	<u>Fund</u>	<u>(Beg Bal, Receipt, Disb, End Bal) Category</u>	<u>Amount per Gateway</u>	<u>Amount Per Township Ledger</u>	<u>Difference</u>
2011	Township	Disbursement	\$ 37,440.01	\$ 36,779.11	\$ 660.90
2011	Township Assistance	Disbursement	5,988.12	6,649.02	(660.90)

reflect the financial activity of the Township.

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 January 28, 2016, with Edward Banks, Trustee. Any Official Response attached to this letter was not verified for accuracy.

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