



STATE OF INDIANA
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B46927

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September 23, 2016

TO: THE OFFICIALS OF WASHINGTON TOWNSHIP, GRANT COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Washington Township (Township), for the period of January 1, 2012 to December 31, 2015, 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 Annual Financial Reports filed by the Township can be found on the Gateway website: <https://gateway.ifonline.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.

Unresolved Comments from Prior Report

- *Depository reconciliations of the fund balances to the bank account balances were not completed for any month during the reporting period.*
- *In 2012, 2013, and 2014, receipts were deposited later than the first and fifteenth of the month in 27 months of the 36 months reviewed.*
- *In 2012, 2013, and 2014, several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records.*
- *The Township did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the Indiana State Board of Accounts for 2012 and 2014. The report for 2012 was filed on February 13, 2013, which was 13 days past the due date. The report for 2014 was filed on October 19, 2015, which was 261 days past the due date.*

Current Period Comments

- *The Annual Financial Report filed on Gateway for 2014 did not match the Township's records.*

<u>Year</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per AFR</u>	<u>Amount Per Township Ledger</u>	<u>Difference</u>
2014	Township	Receipts	\$ 34,025	\$ 34,145	\$ (120)
2014	Township	Ending Balance	36,601	36,721	(120)


- *Receipts were not properly posted to the Township Financial and Appropriation Ledger (Ledger). In 2013, county tax distributions due to the Township fund (\$3,924) and Township Assistance fund (\$3,924) were deposited but not posted to the Ledger. In 2015, county tax distributions to the Township fund (\$3,948) were deposited but not posted to the Ledger.*
- *Disbursement transactions were not recorded in the appropriate "Fund Appropriations" columns on the Ledger.*
- *The records presented for review indicated the following disbursements in excess of budgeted appropriations:*

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2012	Fire Fighting	\$ 7,000
2013	Fire Fighting	7,000

- *Payments made in 2012, 2013, and 2014 for cemetery care were not supported by a written contract. Payments made in 2012, 2013, 2014, and 2015 for fire protection were not supported by a written contract.*
- *Federal Form 1099 was not issued for qualifying payments made in 2012, 2013, 2014, and 2015. The payments were for contractual mowing and for office rent paid each year.*
- *Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5-1.*
- *The Township did not have a Nepotism Policy for 2012, 2013, and 2014.*
- *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, 2013, 2014, and 2015.*
- *The Township did not have a Contracting Policy for 2012, 2013, and 2014.*
- *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, 2013, 2014, and 2015.*

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 July 7, 2016, with Ronald Mowery, Trustee. Any Official Response attached to this letter was not verified for accuracy.


Paul D. Joyce, CPA
State Examiner