



STATE OF INDIANA
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B47447

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December 30, 2016

TO: THE OFFICIALS OF LOCKHART TOWNSHIP, PIKE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Lockhart 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.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

- *The financial institution did not return the actual cancelled checks or copies of optical check images with the monthly bank statements for 2012, 2013, 2014, and 2015.*
- *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>
2014	Fire Fighting	\$ 9,633.42
2015	Fire Fighting	2,548.95

- *Compensation paid to the Trustee was not in accordance with the salary resolution for 2013. The Trustee was paid \$208 more than the approved compensation from the Township Assistance fund for investigator services. The Trustee reimbursed the Township \$223.91 on February 14, 2014, for the overpaid compensation and Township's share of withholding taxes.*

- *Employees of the Township were paid without the Township withholding state and local taxes for 2012, 2013, 2014, and 2015.*
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was inaccurate. The Trustee's Township Assistance investigator's salary of \$500 per year was not included on the 100-R for the years of 2012, 2013, 2014, and 2015.*
- *Township Assistance standards were not established in accordance with Indiana Code 12-20-5.5-1.*
- *The Annual Financial Report (AFR) was not published in accordance with Indiana Code 36-6-4-13 for 2012.*
- *Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 2013, 2014, and 2015.*
- *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, 2013, 2014, and 2015.*
- *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 2015. The report was filed on February 17, 2016, which is 17 days past the due date.*

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 November 3, 2016, with Angela O'Neal, Trustee. Any Official Response attached to this letter was not verified for accuracy.

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