



STATE OF INDIANA
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B47479

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December 30, 2016

TO: THE OFFICIALS OF DEER CREEK TOWNSHIP, CASS COUNTY, INDIANA

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

Unresolved Comment from Prior Report

- For 2012, 2013, and 2014, the record balances were not reconciled to depository balances. There were a considerable number of posting errors. These errors included deposits not recorded in the ledger, checks and receipts not recorded in the proper amounts, and incorrect check numbers noted on the Financial Ledger. The Township Form No. 1C Financial and Appropriation Record was incomplete for the year 2012.

Current Period Comments

- The Annual Financial Reports (AFR) filed on Gateway for 2012, 2013, 2014, and 2015 did not match the Township's records as shown below:

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount per AFR</u>	<u>Amount per Township Ledger</u>	<u>Difference</u>
2012	Township	Receipt	\$ 18,279.54	\$ 26,072.45	\$ (7,792.91)
2012	Township	Disb	13,161.21	17,006.52	(3,845.31)
2012	Township	End Bal	84,871.23	88,818.37	(3,947.14)

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount per AFR</u>	<u>Amount per Township Ledger</u>	<u>Difference</u>
2012	Twp Assist	Disb	\$ 5,315.60	\$ 5,368.30	\$ (52.70)
2012	Twp Assist	End Bal	23,351.29	23,298.59	52.70
2012	Cemetery	Disb	4,457.00	3,982.00	475.00
2012	Cemetery	End Bal	(1,218.14)	(743.14)	475.00
2013	Township	Beg Bal	84,871.23	88,818.37	(3,947.14)
2013	Township	Receipt	-	11,510.91	(11,510.91)
2013	Township	Disb	-	11,205.31	(11,205.31)
2013	Township	End Bal	84,871.23	89,123.97	(4,252.74)
2013	Twp Assist	Beg Bal	23,351.29	23,298.59	52.70
2013	Twp Assist	Receipt	-	4,128.95	(4,128.95)
2013	Twp Assist	Disb	-	1,350.11	(1,350.11)
2013	Twp Assist	End Bal	23,351.29	26,077.43	(2,726.14)
2013	Fire Fight	Receipt	-	22,356.95	(22,356.95)
2013	Fire Fight	Disb	-	52,097.88	(52,097.88)
2013	Fire Fight	End Bal	28,561.25	(1,179.68)	29,740.93
2013	Rainy Day	Beg Bal	-	473.44	(473.44)
2013	Rainy Day	End Bal	-	473.44	(473.44)
2013	Cemetery	Beg Bal	(1,218.14)	(743.14)	(475.00)
2013	Cemetery	Disb	-	975.00	(975.00)
2013	Cemetery	End Bal	(1,218.14)	(1,718.14)	500.00
2014	Township	Beg Bal	84,871.23	89,123.97	(4,252.74)
2014	Township	Receipt	70,621.18	19,586.91	51,034.27
2014	Township	Disb	72,186.14	42,609.03	29,577.11
2014	Township	End Bal	83,306.27	66,101.85	17,204.42
2014	Twp Assist	Beg Bal	23,351.29	26,077.43	(2,726.14)
2014	Twp Assist	Receipt	-	3,534.00	(3,534.00)
2014	Twp Assist	Disb	347.37	1,062.26	(714.89)
2014	Twp Assist	End Bal	23,003.92	28,549.17	(5,545.25)
2014	Fire Fight	Beg Bal	28,561.25	(1,179.68)	29,740.93
2014	Fire Fight	Receipt	34,596.62	63,862.70	(29,266.08)
2014	Fire Fight	Disb	27,097.88	29,297.88	(2,200.00)
2014	Fire Fight	End Bal	36,059.99	33,385.14	2,674.85
2014	Cemetery	Beg Bal	(1,218.14)	(1,718.14)	500.00
2014	Cemetery	Receipt	6,707.47	10,928.25	(4,220.78)
2014	Cemetery	Disb	750.00	1,450.00	(700.00)
2014	Cemetery	End Bal	4,739.33	7,760.11	(3,020.78)
2015	Township	Beg Bal	83,306.27	66,101.85	17,204.42
2015	Township	Receipt	8,238.95	8,787.10	(548.15)
2015	Township	Disb	32,554.16	15,897.89	16,656.27
2015	Twp Assist	Beg Bal	23,003.92	28,549.17	(5,545.25)
2015	Twp Assist	Receipt	9,838.25	4,293.00	5,545.25
2015	Fire Fight	Beg Bal	36,059.99	33,385.14	2,674.85
2015	Fire Fight	Disb	34,291.38	31,616.53	2,674.85
2015	Cemetery	Beg Bal	4,739.33	7,760.11	(3,020.78)
2015	Cemetery	Receipt	13,254.27	10,891.49	2,362.78
2015	Cemetery	Disb	4,673.66	5,331.66	(658.00)

- The following funds had overdrawn cash balances at December 31:

<u>Years</u>	<u>Fund</u>	<u>Amount Overdrawn</u>
2012	Cemetery	\$ 743.14
2013	Fire Fighting	1,179.68
2013	Cemetery	1,718.14

- *The records presented indicated the following disbursements in excess of budgeted appropriations:*

<u>Years</u>	<u>Fund</u>	<u>Excess Amount</u> <u>Disbursed</u>
2012	Township	\$ 4,306.52
2012	Cemetery	3,982.00
2013	Cemetery	975.00
2014	Township	27,609.03
2015	Township	2,897.89

- *Receipts were deposited later than the first and fifteenth of the month for the years 2012 through 2014. In many instances the receipts were deposited more than 60 days after the funds were received.*
- *Payroll taxes were not withheld from the compensation paid to Township employees for the years 2013 through 2015.*
- *Federal Form W-2s were not issued to the Township employees for the years 2013 through 2015.*
- *Board minutes were not available for review for the years 2012 through 2014.*

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 June 29, 2016, with Steve Carroll, Trustee.

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