



STATE OF INDIANA
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B47551

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

January 20, 2017

TO: THE OFFICIALS OF PIERSON TOWNSHIP, VIGO COUNTY, INDIANA

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

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 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. The report was filed on February 2, 2013, which is two days past the due date.*
- *The Annual Financial Report (AFR) filed for 2013 and 2014 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>
2013	Cumulative Fire	Disb	\$ 16,255.57	\$ 16,305.57	\$ 50.00
2014	Township General	End Bal	23,450.01	23,451.01	1.00
2014	Payroll Withholding	End Bal	713.73	712.73	(1.00)

- *Receipts were deposited later than the first and fifteenth of the month. Receipts were deposited up to 15 days in 2012 and up to 16 days in 2013 after the first and fifteenth of the month.*
- *The Township did not fix the salaries of all officers and employees for 2012 and 2014.*
- *The Township paid \$11,057.97 in 2012, \$11,059.26 in 2013, \$11,278 in 2014, and \$12,277.06 in 2015 of compensation in advance of the actual date the services were provided.*
- *Employees of the Township were paid without the Township withholding federal, state, and local taxes. Taxes were not withheld from the Township Board members salary for 2012, 2013, 2014, and 2015. In addition, the Township Clerk/Investigator mowed for the Township in 2012, 2013, 2014, and 2015 without taxes being withheld.*
- *W-2s were not issued for all Township Board members or to the Township Clerk/Investigator for mowing for 2012, 2013, 2014, and 2015.*
- *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, and 2014.*
- *The Township did not have a Contracting Policy for 2012, 2013, 2014, and 2015.*
- *Each elected official 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.*
- *A checking account debit card that was approved by the board on March 18, 2015, by way of a Resolution. However, the Resolution did include all applicable criteria for its use.*
- *Rent payments were overpaid in 2012, 2013, 2014, and 2015 totaling \$560.00. The rent overpayment was reimbursed to the Township on December 5, 2016, receipt number 120516.*

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 October 19, 2016, with David W. Brown, Trustee, and Robin J. Brown, Township Clerk.

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