

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

COMPLIANCE REPORT  
OF  
INDIAN CREEK TOWNSHIP  
LAWRENCE COUNTY, INDIANA  
January 1, 2014 to December 31, 2016



**FILED**  
03/01/2018



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Ruth A. Godsey	01-01-14 to 12-31-14
	Alisha M. Godsey-Layton	01-01-15 to 03-21-16
	Kyle Hall	03-22-16 to 12-31-18
Chairman of the Township Board	Standley Wright	01-01-14 to 12-31-14
	Richard E. Kendall	01-01-15 to 09-27-17
	Scott Smith	09-28-17 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF INDIAN CREEK TOWNSHIP, LAWRENCE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Indian Creek Township (Township), Lawrence County, for the period January 1, 2014 to December 31, 2016, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Results and Comments, incorporated within this report, was not verified for accuracy.

The Annual Financial Reports filed by the Township can be found on the Gateway website: <https://gateway.ifionline.org/>.

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

January 18, 2018

INDIAN CREEK TOWNSHIP, LAWRENCE COUNTY  
RESULTS AND COMMENTS

**APPROPRIATIONS**

The same comment appeared in prior Report B43586.

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

<u>Year</u>	<u>Fund</u>	<u>Excess Amount</u> <u>Disbursed</u>
2015	Township	\$ 1,431
2015	Township Assistance	1,095
2015	Fire Fighting	1,148

Indiana Code 6-1.1-18-4 states in part: ". . . proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

**ADOPTION OF INTERNAL CONTROL STANDARDS**

A majority of the Township's legislative body had not developed or adopted internal control standards and procedures as required by Indiana Code 5-11-1-27(g) after June 30, 2016.

Indiana Code 5-11-1-27(g) states in part:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that:

- (1) The internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; . . .

**CERTIFICATION ON INTERNAL CONTROL STANDARDS**

The Fiscal Officer of the Township certified that the legislative body adopted the internal control standards when only one member, not a majority of the legislative body, had adopted them.

Indiana Code 5-11-1-27(h) states:

"After June 30, 2016, the fiscal officer of a political subdivision shall certify in writing that:

- (1) The minimum internal control standards and procedures defined under subsection (e) have been adopted by the political subdivision; and
- (2) Personnel, who are not otherwise on leave status, have received training as required by subsection (g)(2).

The certification shall be filed with the state board of accounts at the same time as the annual financial report required by section 4(a) of this chapter is filed. The certification shall be filed electronically in the manner prescribed under IC 5-14-3.8-7."

INDIAN CREEK TOWNSHIP, LAWRENCE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on January 18, 2018, with Laura Hall, Township Clerk.

Indian Creek Township  
Lawrence County, Indiana  
Trustee Kyle Hall

Response to results and comments regarding the State Board of Accounts Audit of 2014, 2015 and 2016

Appropriations: We recognize that under the previous Trustee the funds disbursed exceeded the budget as it was appropriated. We understand IC 6-1.1-18-4, and we will not exceed the budget as it is appropriated.

Adoption of Internal Control Standards: The legislative body was presented with a policy to adopt internal control standards and procedures during a meeting on February 21, 2017 by Trustee Kyle Hall. Personnel did receive training concerning the internal control standards and procedures. However, two of the three members refused to sign and approve the policy. We recognize that since a majority of the legislative body declined to sign to adopt the policy, it does not follow IC 5-11-1-27(g). We will attempt to have the policy adopted in 2018.

Certification on Internal Control Standards: We did certify that the personnel have received training as required. However, since a majority of the legislative body declined to approve the policy, the policy should not have been certified as adopted. We will attempt to adopt the policy in 2018.

*Kyle Hall, Trustee*  
*Laura Hall, Clerk*