

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

LEXINGTON TOWNSHIP

SCOTT COUNTY, INDIANA

January 1, 2014 to December 31, 2017



FILED
01/25/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Danny Basham, Jr.	01-01-11 to 12-31-18
Chairman of the Township Board	Freddie Mace	01-01-14 to 12-31-14
	Jason Johns	01-01-15 to 05-31-17
	(Vacant)	06-01-17 to 09-26-17
	Aaron Bressler	09-26-17 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF LEXINGTON TOWNSHIP, SCOTT COUNTY, INDIANA

This report is supplemental to our audit report of Lexington Township (Township), for the period from January 1, 2014 to December 31, 2017. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the Township. It should be read in conjunction with our Financial Statements Audit Report of the Township, which provides our opinion on the Township's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws established by the Indiana State Board of Accounts. The Audit Result and Comment contained herein describes the identified reportable instance 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 Audit Result and Comment, incorporated within this report, was not verified for accuracy.

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

December 4, 2018

LEXINGTON TOWNSHIP, SCOTT COUNTY
AUDIT RESULT AND COMMENT

INTERNAL CONTROL STANDARDS

The Township failed to adopt internal control standards as required by Indiana Code 5-11-1-27(g); therefore, Township personnel were not trained on internal controls. However, the Township certified that they had adopted minimum internal control standards, and that they had trained on those internal control standards.

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

"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; and
- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

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](#)."

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

LEXINGTON TOWNSHIP, SCOTT COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 4, 2018, with Danny Basham, Jr., Trustee, and Kami Basham, Payroll Clerk.