

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

COMPLIANCE REPORT

OF

ALLEN TOWNSHIP

NOBLE COUNTY, INDIANA

January 1, 2015 to December 31, 2018



FILED
12/10/2019

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Other Information - Unaudited:	
Schedule of Cash and Investment Balances - Regulatory Basis	6
Results and Comments:	
Adoption of Internal Control Standards	7
Training on Internal Control Standards	7
Certification on Internal Control Standards	7
Official Response	8
Exit Conference.....	9

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Thaddeus Bay	01-01-15 to 12-31-22
Chairman of the Township Board	Donald Papai	01-01-15 to 12-31-19



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF ALLEN TOWNSHIP, NOBLE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Allen Township (Township), Noble County, for the period of January 1, 2015 to December 31, 2018, 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 non-compliance 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.

The Schedule of Cash and Investment Balances - Regulatory Basis, as listed in the Table of Contents, is presented as other information. It has not been subjected to any auditing procedures and, accordingly, we do not express an opinion or provide any assurance on it.

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

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

November 4, 2019

(This page intentionally left blank.)

OTHER INFORMATION - UNAUDITED

The Township's Annual Financial Reports information can be found on the Indiana Gateway for Government Units (Gateway) website: <https://gateway.ifionline.org/>. The schedule presented herein is presented as other information and is derived from the Township's Annual Financial Reports information and has not been subjected to any audit procedures. No adjustments have been made to the information as reported in Gateway and, as such, balances may differ.

ALLEN TOWNSHIP, NOBLE COUNTY
 SCHEDULE OF CASH AND INVESTMENT
 BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

Fund	Cash and Investments 12-31-18
Township	\$ 97,194
Park And Recreation	25,122
Township Assistance	65,851
Fire Fighting	63,303
Rainy Day	10,530
Cumulative Fire	272,940
PAYROLL DEDUCTIONS	-
Payroll	<u>5</u>
Total	<u>\$ 534,945</u>

ALLEN TOWNSHIP, NOBLE COUNTY
RESULTS AND COMMENTS

ADOPTION OF INTERNAL CONTROL STANDARDS

Condition and Context

The Township had not adopted the acceptable minimum level of internal control standards as defined by the Indiana State Board of Accounts.

Criteria

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; and . . ."

TRAINING ON INTERNAL CONTROL STANDARDS

Condition and Context

Township employees, whose official duties included receiving, processing, depositing, disbursing, or otherwise having access to funds that belonged to the Township, had not received training over internal control standards that was developed or approved by the Indiana State Board of Accounts.

Criteria

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

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

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

CERTIFICATION ON INTERNAL CONTROL STANDARDS

Condition and Context

The Township certified on Gateway that it had adopted the minimum internal control standards and training on internal controls had been completed as required by Indiana Code 5-11-1-27(e); however, during the engagement, the fiscal officer indicated that the Township had not adopted the minimum internal control standards or completed training on internal controls.

Context

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](#)."

Allen Township Trustee's Office
134 Green Dr., P.O. Box 332, Avilla, IN 46710

November 7, 2019

Official Response
State Board of Accounts
302 W Washington St, Room E 418
Indianapolis, IN 46204

Dear Sir or Madam;

This letter is to serve as an official response to the exit conference for Allen Township, Noble County, IN who was recently reviewed for the period of 1/1/2015 to 12/31/2018. It has become evident that we did not comply with the adoption, training, and certification of Internal Control Standards. In response, our Trustee, Thaddeus Bay is currently working diligently on developing and implementing such a policy. This policy will be completed and adopted no later than January 25, 2020, at our Annual Meeting. Should you have any questions regarding this matter, please feel free to contact one of us with questions.

Sincerely,



Donald Papai
Allen Township Board President



Thaddeus Bay
Allen Township Trustee

ALLEN TOWNSHIP, NOBLE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 4, 2019, with Thaddeus Bay, Trustee, and Donald Papai, Chairman of the Township Board.