



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B57346

STATE BOARD OF ACCOUNTS
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October 5, 2021

TO: THE OFFICIALS OF JEFFERSON TOWNSHIP, BOONE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Jefferson Township (Township), Boone County, for the period of January 1, 2017 to December 31, 2020, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

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 Township's Annual Financial Reports filed by management can be found on the Gateway Website: www.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.

Comments

ADOPTION OF NEPOTISM AND CONTRACTING POLICIES

Condition and Context

The Township has not adopted a Nepotism in Employment policy and a Nepotism in Contracting policy.

Criteria

Indiana Code 36-1-20.2 states: "Effective July 1, 2012, all units are required to have a 'Nepotism' policy. This policy must discuss the employment of relatives. This statute provides requirements, but the unit can adopt more stringent requirements."

Indiana Code 36-1-21 states:

"Effective July 1, 2012, all units are required to have a 'Contracting with a Unit' policy. This policy must discuss a unit contracting with the relative of an elected official. The statute provides requirements, such as filing a conflict of interest disclosure, but the unit can adopt more stringent requirements."

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:

"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."

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:

"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."

This letter is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The Schedule of Cash and Investment Balances - Regulatory Basis, 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.


SCHEDULE OF CASH AND INVESTMENT
BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2020

Fund	Cash and Investments 12-31-20
Township	\$ 36,677
Township Assistance	12,861
Fire Fighting	23,308
Rainy Day Fund	22,033
Threewitt's Estate Fund	<u>5,647</u>
Total	<u>\$ 100,526</u>

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

The contents of this letter were communicated to John Merson, Trustee, and Gretchen Smith, Chair of the Township Board; on August 31, 2021.

Respectfully,


Paul D. Joyce, CPA
State Examiner

To: State Board of Accounts

From: Jefferson Township- Boone County Trustee

R/E: Exit Interview

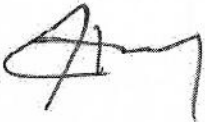
September 10, 2021

The Jefferson Township Advisory Board met on September 7, 2021 and adopted the following:

1. Salary Resolution for 2021
2. Salary Resolution for 2022
3. Nepotism Policy
4. Capital Asset Policy
5. Internal Control Standards Policy and Training

These measures will satisfy the deficiencies identified during our audit period.

With Respect,

A handwritten signature in black ink, appearing to be 'John Merson', written in a cursive style.

John Merson

Jefferson Township Trustee

Boone County