



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

B58809

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](http://www.in.gov/sboa)

March 14, 2022

TO: THE OFFICIALS OF SUGAR CREEK TOWNSHIP, BOONE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Sugar Creek Township (Township), Boone County, for the period of January 1, 2016 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](http://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, AND TRAINING AND CERTIFICATION ON, INTERNAL CONTROL STANDARDS***

***Condition and Context***

The Township certified on Gateway that it had adopted the minimum internal control standards as required by Indiana Code 5-11-1-27(e); however, during the engagement, the Trustee indicated that the Township had not adopted the minimum internal control standards.

The Township certified on Gateway that all personnel defined by Indiana Code 5-11-1-27(c) had received training concerning the internal control standards adopted by the Township; however, during the engagement, the Trustee indicated that all personnel had not received training concerning the internal control standards.

***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."

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

"The state examiner shall require from every audited entity 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](#)."

This report 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 report, 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	\$ 192,911
Township Assistance	37,779
Fire Fighting	198,893
Rainy Day	5,718
Levy Excess	1,285
Cumulative Fire	<u>49,037</u>
Total	<u>\$ 485,623</u>

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

The contents of this report were communicated to Tammy Lawson, Trustee, and Lisa Bruder, Chair of the Township Board, on February 28, 2022.

Respectfully,



Beth Kelley, CPA, CFE  
Deputy State Examiner

# Sugar Creek Township

## Memorandum

To: Indiana State Board of Accounts

From: Tamara Lawson, Trustee

Date: March 10, 2022

Re: Official Response, 2016-2020 Township Audit

The State Board of Accounts (SBOA) procedures resulted in the following written comments, which will appear in the final report:

### ***ADOPTION, TRAINING, AND CERTIFICATION ON INTERNAL CONTROL STANDARDS***

#### *Context and Condition*

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#### *Criteria*

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- (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 5-11-1-4(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."

**The Sugar Creek Township Official Response to the above findings and guidance is as follows.**

Historical information is being provided to document pertinent facts to this audit and may provide insight into the Township Official Response. The information is meant to clarify the circumstances prior to and during the years of the audit. This historical documentation may assist future board members and trustees.

The trustee serving during the years 2016-2019 was Mrs. Lora Thompson, who had just been reelected for a term of 2019-2022. She had been serving for 17 years prior. The advisory board for the period of 2016-2019 was comprised of various members that had served the township for several years and had considerable experience in this service. A new board had been elected to serve from 2019-2022 with only one returning member from the previous board. In April of 2019, Mrs. Thompson passed away, leaving no one (with intimate knowledge of procedures/trustee experience) to take her place. Mrs. Thompson managed her responsibilities as trustee in a very organized and thorough manner which was fortunate for the appointed trustee and new board.

Taking the above information into consideration, the SBOA audit was challenging for the new leadership. Providing details for the audit required documents for 2016-2020 which ultimately were unintentionally incomplete. As this pertains to the internal control standards and training, documentation was found for 2016. Adoption, training and certification was documented and complete. The following years (2017-2020) documentation was not found but may have existed. Confusion on the annual adoption and training requirements lead to an unintentional Gateway certification and was not meant to misrepresent completion in Gateway.

With the previous information being documented and offering historical clarification, the Sugar Creek Township Advisory Board and Trustee will be completing training and will adopt and certify internal control standards annually beginning in March, 2022.