



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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March 29, 2022

TO: THE OFFICIALS OF WASHINGTON TOWNSHIP, GRANT COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Washington Township (Township), Grant 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.

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

ANNUAL FINANCIAL REPORT

Condition and Context

The Township's financial information was entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source for the Annual Financial Report (AFR) and financial statements.

The Township's AFR for 2017 included the Township General Fund, Township Assistance fund, and Fire Fighting Fund with a combined beginning balance that was \$76,123 less than the prior period ending balance (2016). Beginning and ending balances should agree.

In addition, in 2018, the Township overstated receipts in the Township General Fund and Rainy Day Fund by a combined \$105,975 due to the inclusion of a bank-to-bank transfer activity reported in its AFR.

Criteria

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](#)."

ADOPTION OF, AND CERTIFICATION ON, 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.

In addition, 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 Township Trustee indicated that the Township had not adopted the minimum internal control standards.

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 . . ."

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](#)."

APPROPRIATIONS

A similar comment appeared in the immediately prior Report B46927.

Condition and Context

The following funds had disbursements in excess of budgeted appropriations for the amounts shown below:

| Fund | Years | Excess Amount Expended |
|-----------------------|-------|------------------------------|
| Township General Fund | 2016 | \$ 1,863 |
| Township Assistance | 2017 | 12,715 |
| Fire Fighting Fund | 2017 | 3,482 |
| Township Assistance | 2018 | 14,776 |
| Fire Fighting Fund | 2018 | 53 |
| Fire Fighting Fund | 2019 | 1,000 |
| Fire Fighting Fund | 2020 | 170 |

Criteria

Indiana Code 6-1.1-18-4 states in part: ". . . the 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."

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 General Fund | \$ 10,531 |
| Township Assistance | 29,081 |
| Fire Fighting Fund | 10,003 |
| Rainy Day Fund | 59,886 |
| Total | \$ 109,501 |

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

The contents of this report were communicated to Tresa Baker, Township Trustee, and Dave Barley, Chair of the Township Board, on March 3, 2022.

Respectfully,

Beth Kelley, CPA, CFE
Deputy State Examiner

Washington Township Trustee
1310 N Horton St
Marion, in 46952
765.573.5822

OFFICIAL RESPONSE

DATE:3/9/2022

INDIANA STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON ST RM E418
INDIANAPOLIS, IN 46204-2765

RE:

1. I WAS NOT TOLD THAT THE MONEY MENTIONED IN THE 2017 ALSO INCLUDED THE 100,000.00 CD. I HAVE NO CLUE HOW I OVERSTATED RECEIPTS FOR GENERAL FUND AND RAINY-DAY FUND. THE MONEY THAT WENT OVER THE FIRE DEPT BUDGET WAS MONEY TRANSFERRED FROM RAINY DAY FUND. I THOUGHT I HAD TO TRANSFER IT FROM THE RAINY-DAY FUND AND THEN WRITE THE CHECK FROM FIRE DEPT FUND.

2. I WAS NOT AWARE THAT I WENT OVER MY BUDGET IN THE POOR REELIEF FUND. I TRY TO KEEP AS CLOSE TO THAT AS I CAN. I WAS TOLD BY A TRUSTEE IN MY COUNTY I CANNOT REFUSE TO HELP SOMEONE BECAUSE I AM OUT OF MONEY ON THE BUDGET PART.

3. THE 80,000.00 WAS PUT IN A RAINY-DAY FUND WHEN THE CD OF \$100,000.00 WAS CASHED IN TO HELP WITH THE DOWN PAYMENT TO PURCHASE A NEW TANKER TRUCK FOR OUR FIRE DEPT BECAUSE THE OLD ONE STOP RUNNING COMPLETLEY AND THEY DID NOT HAVE ENOUGH FOR THE DOWN PAYMENT WE GAVE \$20,000.00 TOWARD THE DOWN PAYMENT. BUT I CASHED IT IN EARLY SO THEIR WAS PENTLEYS TAKEN OUT. THERE WAS A MENTION OF DOWN PAYMENT IN 2/16/2018 MINUTES BUT NOT THE AMOUNT.

4. WE DID ADOPT AN INTERAL CONTROL POLICY-12/15/2021

5. WE WILL ADOPT A CAPITAL ASSET THRESHOLD POLICY ALSO IN OUR APRIL MEETING.

TRESA BAKER
WASHINGTON TOWNSHIP TRUSTEE
DAVE BARLEY
PRESIDENT OF WASHINGTON TOWNSHIP BOARD