



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B60670

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February 1, 2023

TO: THE OFFICIALS OF FRANKLIN TOWNSHIP, FLOYD COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Franklin Township (Township), Floyd County, for the period of January 1, 2018 to December 31, 2021, 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 - LATE SUBMISSION

Condition and Context

The Township's Annual Financial Report for 2021 was not filed electronically until June 27, 2022, which was 117 days past the due date.

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](#)."

CERTIFIED REPORT FILED AFTER DUE DATE

Condition and Context

The Township's Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100R) for 2021 was not filed electronically until May 9, 2022, which was 98 days past the due date.

Criteria

Indiana Code 5-11-13-1(b) states in part:

"Each audited entity shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of the officers, employees, and agents of the audited entity. The report shall indicate the respective duties and compensation of each officer, employee, and agent of the audited entity. The audited entity shall file the report in the office of the state examiner of the state board of accounts. . . . The certification must be filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

ANNUAL FINANCIAL REPORT

Condition and Context

The financial statement information entered into the Indiana Gateway for Government Units financial reporting system, which was the source of the Township's Annual Financial Report submitted during the audit period contained errors as follows:

- (1) The Cumulative Fire Fighting fund receipts of \$26,239 were omitted, and, therefore, understated for 2021.
- (2) The Township fund disbursements were overstated by \$739 for 2021.

Adjustments were proposed, accepted by the Township, and made to the financial statements.

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](#)."

CONTRACTS

The same comment also appeared in prior Report B50350.

Condition and Context

The Township made payments throughout the engagement period to vendors for services totaling \$33,300, for firefighting and mowing services, that were not supported by a written contract.

Criteria

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

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
As of December 31, 2021

Fund	Cash and Investments 12-31-21
Township	\$ 46,150
Township Assistance	3,135
Fire Fighting	27,488
Rainy Day	5,623
Cumulative Fire Fighting	<u>92,840</u>
Total	<u>\$ 175,236</u>

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

The contents of this report were communicated to Michael Thompson, Trustee; Donald Schickel, Chair of the Board; and Ann Heitkemper, Township Board member, on January 25, 2023.

Respectfully,



Beth Kelley, CPA, CFE
Deputy State Examiner