



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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March 7, 2023

TO: THE OFFICIALS OF GUTHRIE TOWNSHIP, LAWRENCE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Guthrie Township (Township), Lawrence 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](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***

**ANNUAL FINANCIAL REPORTS**

***Condition and Context***

The Annual Financial Reports submitted in the Indiana Gateway for Government Units financial reporting system contained errors and did not reflect the financial activity of the Township. These errors were corrected and are reflected in the cash and investment balances contained in this report.

***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 TRAINING ON, INTERNAL CONTROL STANDARDS**

Similar comments also appeared in prior Report B52190, entitled *ADOPTION OF INTERNAL CONTROL STANDARDS* and *TRAINING 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.

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."

## **LATE SUBMISSION OF CERTIFIED REPORT**

The same comment also appeared in prior Reports B43644 and B52190.

### *Condition and Context*

The Township's Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100R), for 2018, 2019, and 2021 was not filed electronically until April 9, 2019, April 21, 2020, and March 11, 2022, which was 68, 81, and 39 days past the due date respectively.

### *Criteria*

Indiana Code 5-11-13-1(a) 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](#)."

## **LOCAL DISTRIBUTIONS**

### *Condition and Context*

Distributions received from the County Auditor in 2018 were not posted to the correct fund. Additionally, the distributions received from the County Auditor in December 2020 were not posted in a timely manner.

### *Criteria*

All financial transactions pertaining to the unit must be recorded in the records of the unit at the time of the transaction. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

All documents and entries to records must be made in a timely manner to ensure that accurate financial information is available to allow the unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

## **MONTHLY AND ANNUAL ENGAGEMENT UPLOADS**

### *Condition and Context*

As of February 20, 2023, the Township had not uploaded all required monthly and annual engagement uploads for 2018, 2019, 2020, 2021, and 2022 into the Indiana Gateway for Government Units financial reporting system as required by Amended State Examiner Directive 2018-1.

### *Criteria*

The following files and governmental unit information are required to be uploaded monthly by Townships:

- Bank Reconcilements, Bank Statements, and Outstanding Check Lists
- Approved Board Minutes, please see the user guide for more information and examples
- Funds Ledger, summarizing total receipts, disbursements, and beginning and ending balances by fund

The following files and governmental unit information are required to be uploaded annually:

- Year-end Investment Statements
- Detail of Receipts for the year
- Detail of Disbursements for the year
- Current year Salary Ordinance (or Schedule) and Amendments
- Annual Vendor History Report
- Annual Payroll History Report, without social security numbers
- Annual Funds Ledger, summarizing year-to-date total receipts, year-to-date disbursements, and beginning and ending balances by fund
- Optional: Excel Data Capture/Data Dump (in lieu of Detail of Receipts and Disbursements)

(Amended State Examiner Directive 2018-1)

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (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  
For the Year Ended December 31, 2021

Fund	Cash and Investments 12-31-21
Township	\$ 36,594
Township Assistance	12,516
Fire Fighting	32,218
Cumulative Fire	64,926
Payroll Deductions	<u>255</u>
Total	<u>\$ 146,509</u>

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

An exit conference was held on February 20, 2023. The Trustee, Stacie Ratliff, was invited but did not attend.

Respectfully,



Beth Kelley, CPA, CFE  
Deputy State Examiner