



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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June 30, 2023

TO: THE OFFICIALS OF CLAY TOWNSHIP, ST. JOSEPH COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Clay Township (Township), St. Joseph County, for the period of January 1, 2019 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

CAPITAL ASSETS

Condition and Context

The Township does not have a capital asset policy and had not completed a physical inventory every two years as required.

The Township also did not maintain a complete capital asset listing. The Township's capital asset listing did not list dates of purchase for each asset owned by the Township. Additionally, the Township did not add qualifying assets purchased to the capital asset record. Finally, when a capital asset was disposed of, the Township removed the capital asset from the detailed listing rather than documenting the disposal of the asset.

Criteria

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (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 FUND	\$ 361,591
POOR RELIEF	206,590
RAINY DAY FUND	671,573
FIRE FIGHTING FUND	5,801,885
EQUIPMENT REPLACEMENT FUND	2,493,381
CARES PROVIDER RELIEF FUND	23,232
EMS/AMBULANCE BILLING	2,083,889
DONATION FUNDS	1,657,974
SAFER ACT GRANT	<u>(190,625)</u>
Total	<u>\$ 13,109,490</u>

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

The contents of this report were communicated to Sean O'Brien, Trustee; Georgeann Ewald, Director of Finance; Robbie Thomas, Chair of the Township Board; and Michelle Shaw, Township Board member, on June 14, 2023.

Respectfully,



Beth Kelley, CPA, CFE
Deputy State Examiner