



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDIANAPOLIS, INDIANA 46204-2769

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July 18, 2023

TO: THE OFFICIALS OF HAMMOND TOWNSHIP, SPENCER COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Hammond Township (Township), Spencer County, for the period of January 1, 2019 to December 31, 2022, 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

ADOPTION OF INTERNAL CONTROL STANDARDS

A similar comment also appeared in prior Report B55024, entitled *ADOPTION OF 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.

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 procedure developed under subsection (e) are adopted by the political subdivision; . . ."

CERTIFICATION ON INTERNAL CONTROL STANDARDS

The same comment also appeared in prior Report B55024.

Condition and Context

The Township certified on the Indiana Gateway for Government Units financial reporting system 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 could not provide supporting documentation showing the adoption of the minimum internal control standards.

Criteria

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

"The state examiner shall require from every audited entity financial report 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 As of December 31, 2022

Fund	Cash and Investments 12-31-22
Township	\$ 75,905
Township Assistance	29,850
Fire Fighting	26,971
Rainy Day	1,763
Cumulative Fire Fund	<u>42,033</u>
Total	<u><u>\$ 176,522</u></u>

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

The contents of this report were communicated to Jane Lynam, Trustee, on July 5, 2023.

Respectfully,



Beth Kelley, CPA, CFE
Deputy State Examiner

Hammond Township Trustee
Jane Lynam
4997 E County Road 900N
Grandview, Indiana 47615

OFFICIAL RESPONSE

Date: 7/15/2023

Indiana State Board of Accounts
302 West Washington St. Room E418
Indianapolis, IN 46204-2765

Re: Exit Conference

Below I have outlined our official response regarding the Exit Conference findings.

1. *Adoption of Internal Control Standards*
 - a. *The trustee and board will develop a new internal control policy and email a copy to Eden Flockhart as soon as it is complete.*
2. *Certification of Internal Control Standards*
 - a. *Signed copies of the certifications on the internal control standards were sent to Eden Flockhart this year during our audit. The certifications were completed by the board and the trustee in 2019. The trustee can send copies again, if requested.*
3. *Capital Assets Policy*
 - a. *The trustee and board will develop a capital assts policy and email a copy to Eden Flockhart as soon as it is complete.*
4. *Annual Engagement Uploads*
 - a. *To my knowledge all uploads have been completed. I will go back and ensure that all annual engagement uploads are submitted.*

The board members and I want to be sure we comply with all requirements. As I said earlier, I will make sure that you receive the information.

Thank you.

Jane Lynam
Hammond Township Trustee