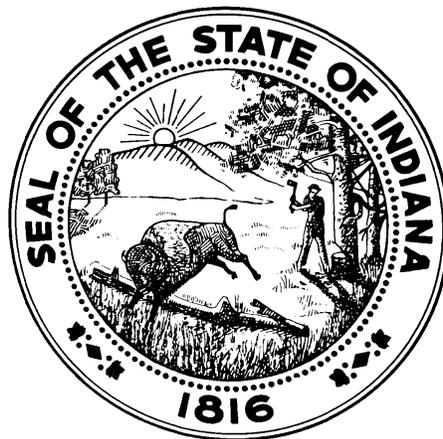


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
WHITE POST TOWNSHIP
PULASKI COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
04/30/2008

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OFFICIALS

Office

Official

Term

Trustee

Karen S. Wagner

01-01-03 to 12-31-10

Chairman of the
Township Board

Michael P. Tiede

01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WHITE POST TOWNSHIP, PULASKI COUNTY, INDIANA

We have examined the financial information presented herein of White Post Township (Township), for the period of January 1, 2006 to December 31, 2007. The Township's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Township for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

February 7, 2008

WHITE POST TOWNSHIP, PULASKI COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 40,656	\$ 32,818	\$ 30,837	\$ 42,637
Dog	490	210	204	496
Township Assistance	5,733	6,158	3,210	8,681
Firefighting	227,063	247,823	232,037	242,849
Cumulative Fire	63,432	11,625	53,004	22,053
Levy Excess	-	2,978	-	2,978
Totals	<u>\$ 337,374</u>	<u>\$ 301,612</u>	<u>\$ 319,292</u>	<u>\$ 319,694</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 42,637	\$ 27,332	\$ 29,375	\$ 40,594
Dog	496	-	496	-
Township Assistance	8,681	10,469	3,962	15,188
Firefighting	242,849	58,558	34,508	266,899
Cumulative Fire	22,053	10,671	-	32,724
Levy Excess	2,978	-	2,978	-
Totals	<u>\$ 319,694</u>	<u>\$ 107,030</u>	<u>\$ 71,319</u>	<u>\$ 355,405</u>

The accompanying notes are an integral part of the financial information.

WHITE POST TOWNSHIP, PULASKI COUNTY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Township was established under the laws of the State of Indiana. The Township provides the following services: public safety, health and social services, and general administrative services.

Note 2. Fund Accounting

The Township uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Township in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Township on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Township to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

WHITE POST TOWNSHIP, PULASKI COUNTY
EXAMINATION RESULTS AND COMMENTS

SALARY OVERPAYMENT

The Trustee received \$808.52 salary in excess of the Township Board approved amount for the year 2007. The Township Clerk received \$207.79 salary in excess of the Township Board approved amount for the year 2007. We requested that the Trustee, Karen S. Wagner, reimburse White Post Township \$808.52 for salary overpayments in 2007. We requested that the Township Clerk, Betty Payne, reimburse White Post Township \$207.79 for salary overpayments in 2007. (See Summary, page 10)

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 17)

COMPENSATION

The Township employed persons to mow cemeteries using Township equipment. The employees were paid a flat amount per mowing, and no time records were maintained. The employees were also paid flat amounts for repair and maintenance of cemeteries and other Township property. No evidence was presented for examination that the Township Board had established or approved rates of pay for the employees.

Indiana Code 36-6-6-10(b) states: "The township legislative body shall fix the: (1) salaries; (2) wages; (3) rates of hourly pay; and (4) remuneration other than statutory allowances; of all officers and employees of the township."

The type of format for recording these salaries should be the existing form of Township Form 17. The salaries so fixed shall be recorded in the township board minutes. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

COLLECTION OF AMOUNTS DUE

We noted a \$1,389.64 overpayment of state withholding taxes in May 2007 was due from the State of Indiana as of December 31, 2007.

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

TELEPHONE

The Trustee was reimbursed from Township funds for the months of July through December 2007 for telephone and internet. Telephone bills presented for examination indicated that the reimbursements were for 100% of the charges. The telephone number on the bill was listed under the name of an individual who is not a Township official or employee. There is no public telephone listing for the Township. The Township Board minutes did not indicate that the reimbursements had been authorized by the Township Board.

WHITE POST TOWNSHIP, PULASKI COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

The following audit position should cover all situations for reimbursement of telephone expenses:

1. A separate township office exists and has a telephone(s) listing in the telephone directory in the name of the township, 100% of the proper monthly telephone service billing and long distance township business calls may be paid.
2. The township office is in the home with a separate phone line for township business and that phone line is listed separately in the directory. The 100% reimbursement is available for township long distance business calls and also for the monthly billing.
3. If the township office is in the home, and the telephone (only phone) is in the township name in the phone directory, the additional cost of that phone being listed as a township phone is reimbursable. Up to 50% of the base monthly service billing may also be reimbursed if approved by the township board in accordance with IC 36-6-8-3. Additionally, 100% of all documented long distance township business calls may be reimbursed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

Indiana Code 12-20-5.5-3(a) states: "The township trustee shall ensure adequate access to township assistance services, including a published telephone number in the name of the township."

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Cumulative Fire	2006	<u>\$ 5,121</u>

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."

CONTRACTS

Payments were received from four surrounding townships for fire protection in 2006 and 2007. No contracts to support payments received in 2006 were presented for examination. Amounts received did not agree with amounts established in the December 3, 2004, Township Board minutes (the most recent date that action on fire protection was recorded). Contracts to support payments received in 2007 were presented for three of the four townships.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

WHITE POST TOWNSHIP, PULASKI COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

CAPITAL ASSET RECORDS

An inventory or record of capital assets was not presented for audit.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Assets Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

WHITE POST TOWNSHIP, PULASKI COUNTY
EXIT CONFERENCE

The contents of this report were discussed on February 7, 2008, with Karen S. Wagner, Trustee. The official concurred with our findings.

WHITE POST TOWNSHIP, PULASKI COUNTY
SUMMARY

	Charges	Credits	Balance Due
Karen S. Wagner, Trustee:			
Salary Overpayment, page 6	\$ 808.52	\$	\$
Repaid February 7, 2008		808.52	-
Betty Payne, Township Clerk:			
Salary Overpayment, page 6	207.79		
Repaid February 7, 2008		207.79	-
Totals	\$ 1,016.31	\$ 1,016.31	\$ -