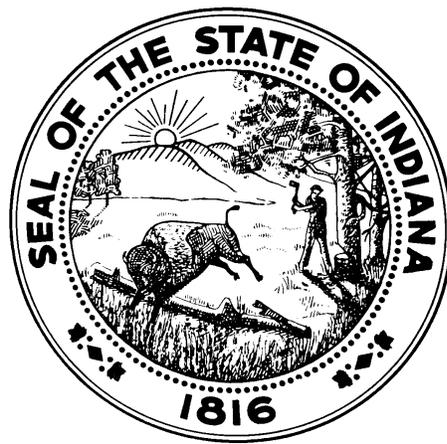


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF  
ROUND GROVE TOWNSHIP  
WHITE COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**

05/15/2008



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Dennis F. Frist	01-01-03 to 12-13-10
Chairman of the Township Board	Larry Yerk Michael Hoffman	01-01-06 to 12-31-06 01-01-07 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF ROUND GROVE TOWNSHIP, WHITE COUNTY, INDIANA

We have examined the financial information presented herein of Round Grove 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

March 17, 2008

ROUND GROVE TOWNSHIP, WHITE 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	\$ 233	\$ 8,528	\$ 7,068	\$ 1,693
Dog	358	-	58	300
Township Assistance	1,713	-	-	1,713
Firefighting	7,387	8,621	13,875	2,133
Levy Excess	-	294	-	294
Rainy Day	2,256	-	-	2,256
Cumulative Fire	<u>68,713</u>	<u>18,668</u>	<u>443</u>	<u>86,938</u>
Totals	<u>\$ 80,660</u>	<u>\$ 36,111</u>	<u>\$ 21,444</u>	<u>\$ 95,327</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 1,693	\$ 7,508	\$ 8,540	\$ 661
Dog	300	-	300	-
Township Assistance	1,713	83	-	1,796
Firefighting	2,133	6,540	8,613	60
Levy Excess	294	-	294	-
Rainy Day	2,256	-	-	2,256
Cumulative Fire	<u>86,938</u>	<u>1,366</u>	<u>5,500</u>	<u>82,804</u>
Totals	<u>\$ 95,327</u>	<u>\$ 15,497</u>	<u>\$ 23,247</u>	<u>\$ 87,577</u>

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

ROUND GROVE TOWNSHIP, WHITE 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, culture and recreation, 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.

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.

ROUND GROVE TOWNSHIP, WHITE COUNTY  
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The following official bond was not filed in the Office of the County Recorder:

Dennis F. Frist, Round Grove Trustee 01-01-07 to 12-313-08

Indiana Code 5-4-14-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

DEPOSIT OF PUBLIC FUNDS

Local tax distributions were being held up to four months before deposit.

Indiana Code 5-13-6-1(c) states in part: "The public funds collected by township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month.

FEDERAL AND STATE AGENCIES – COMPLIANCE REQUIREMENTS

The Township did not pay any Social Security taxes on wages during the examination period. Medicare taxes were withheld at 2.9% which includes the employer's portion in 2006. The payment of the Medicare taxes withheld for 2006, along with the Federal Form 944, were not paid until June 23, 2007. As of March 12, 2008, there is no evidence that the form 944 has been filed, nor that any payroll taxes have been paid for 2007. The form 944 is due January 31 for the previous year.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform compliance Guidelines Manual for Townships, Chapter 13)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform compliance Guidelines Manual for Townships, Chapter 13)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

ROUND GROVE TOWNSHIP, WHITE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on March 17, 2008, with Dennis F. Frist, Trustee. The officials concurred with our findings.