

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

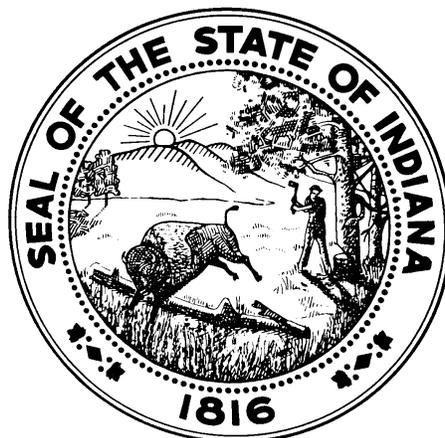
EXAMINATION REPORT

OF

WALTZ TOWNSHIP

WABASH COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED

01/23/2009

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OFFICIALS

Office

Official

Term

Trustee

Raymond Highley
Tamara K. White

01-01-03 to 12-31-06
01-01-07 to 12-31-10

Chairman of the
Township Board

Jerry E. Younce
David A. Bright

01-01-06 to 12-31-06
01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WALTZ TOWNSHIP, WABASH COUNTY, INDIANA

We have examined the financial information presented herein of Waltz 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

December 1, 2008

WALTZ TOWNSHIP, WABASH 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	\$ 10,209	\$ 12,039	\$ 12,179	\$ 10,069
Dog	278	-	-	278
Township Assistance	5,385	4,694	2,651	7,428
Firefighting	13,981	9,745	12,614	11,112
Levy Excess	-	208	-	208
Totals	<u>\$ 29,853</u>	<u>\$ 26,686</u>	<u>\$ 27,444</u>	<u>\$ 29,095</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 10,069	\$ 15,339	\$ 12,306	\$ 13,102
Dog	278	-	278	-
Township Assistance	7,428	8,953	2,061	14,320
Firefighting	11,112	13,620	10,000	14,732
Levy Excess	208	-	-	208
Totals	<u>\$ 29,095</u>	<u>\$ 37,912</u>	<u>\$ 24,645</u>	<u>\$ 42,362</u>

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

WALTZ TOWNSHIP, WABASH 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.

WALTZ TOWNSHIP, WABASH COUNTY
EXAMINATION RESULTS AND COMMENTS

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

Internal Revenue Service Form 944, Employer's Annual Federal Tax Return, for 2006 did not correctly report the payroll activity for the year.

Additionally, Internal Revenue Service Form 1099 was not issued to the Trustee for office rent received in 2006 and 2007.

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)

PRESCRIBED FORMS

Township Form 17, Resolution Recommending Salaries of Township Officers and Employees, was not in use. A similar comment appeared in prior Report B28633.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

SUPPORTING DOCUMENTATION - TOWNSHIP ASSISTANCE

Fifty percent of township assistance disbursements did not contain adequate supporting documentation, such as applicant's receipts or invoices or a current Application for Township Assistance. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

WALTZ TOWNSHIP, WABASH COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

SUPPORTING DOCUMENTATION

Several payments during 2006 were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established. A similar comment appeared in prior Report B28633.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

CONTRACTS

Payments were made to the Converse Volunteer Fire Department in 2006 and 2007. A contract was not presented for 2006 and the dollar amount on the 2007 contract presented for examination was blank. Payments in 2006 were also made to Somerset Community Park and Mount Pleasant Cemetery without completed contracts. A similar comment appeared in prior Report B28633.

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)

WALTZ TOWNSHIP, WABASH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 1, 2008, with Tamara K. White, Trustee; and Raymond Highley, former Trustee. The officials concurred with our findings.