

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

EXAMINATION REPORT

OF

CLAY TOWNSHIP

WAYNE COUNTY, INDIANA

January 1, 2008 to December 31, 2009



FILED

04/27/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information: Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information	5
Examination Results and Comments: Sales Tax.....	6
Supporting Documentation	6
Exit Conference.....	7

OFFICIALS

Office

Official

Term

Trustee

Rebecca Cool

01-01-07 to 12-31-10

Chairman of the
Township Board

Louis Artman

01-01-08 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CLAY TOWNSHIP, WAYNE COUNTY, INDIANA

We have examined the financial information presented herein of Clay Township (Township), for the period of January 1, 2008 to December 31, 2009. 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, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

March 29, 2010

CLAY TOWNSHIP, WAYNE COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 40,387	\$ 16,356	\$ 17,745	\$ 38,998
Township Assistance	10,501	11,086	3,842	17,744
Firefighting	(9,343)	78,505	59,240	9,922
Park and Recreation	2,266	2,774	1,700	3,339
Levy Excess	223	-	-	223
Rainy Day	1,406	-	-	1,406
Cumulative Fire	28,203	9,681	-	37,884
Totals	<u>\$ 73,643</u>	<u>\$ 118,401</u>	<u>\$ 82,527</u>	<u>\$ 109,516</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 38,998	\$ 16,525	\$ 13,702	\$ 41,821
Township Assistance	17,744	9,776	7,000	20,520
Firefighting	9,922	71,430	59,297	22,056
Park and Recreation	3,339	3,377	1,700	5,016
Levy Excess	223	-	-	223
Rainy Day	1,406	-	-	1,406
Cumulative Fire	37,884	8,367	-	46,251
Totals	<u>\$ 109,516</u>	<u>\$ 109,475</u>	<u>\$ 81,699</u>	<u>\$ 137,293</u>

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

CLAY TOWNSHIP, WAYNE 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. 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.

CLAY TOWNSHIP, WAYNE COUNTY
EXAMINATION RESULTS AND COMMENTS

SALES TAX

Sales tax in the amount of \$82.28 was paid on purchases.

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

SUPPORTING DOCUMENTATION

Two payments 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. The payments were to Campbell Oil for \$1,358.78 and to Automated Cont. and Electrical for \$1,456.83.

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)

CLAY TOWNSHIP, WAYNE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 29, 2010, with Rebecca Cool, Trustee.