

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

EXAMINATION REPORT

OF

CRAIG TOWNSHIP

SWITZERLAND COUNTY, INDIANA

January 1, 2008 to December 31, 2009



**FILED**

05/17/2010



## 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:	
Advance Payments.....	6
Salary Overpayment.....	6
Exit Conference.....	7
Summary .....	8

OFFICIALS

Office

Official

Term

Trustee

Anthony Jackson

01-01-07 to 12-31-10

Chairman of the  
Township Board

Linda D. Andrew

01-01-08 to 12-31-10



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CRAIG TOWNSHIP, SWITZERLAND COUNTY, INDIANA

We have examined the financial information presented herein of Craig 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

April 22, 2010

CRAIG TOWNSHIP, SWITZERLAND COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY 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	\$ 4,687	\$ 22,827	\$ 23,638	\$ 3,876
Dog	300	-	-	300
Township Assistance	5,087	4,363	4,977	4,473
Firefighting	2,342	3,733	1,978	4,097
Riverboat	3,253	20,169	19,546	3,876
Fiduciary Fund:				
Payroll Withholdings	171	1,032	1,203	-
Totals	<u>\$ 15,840</u>	<u>\$ 52,124</u>	<u>\$ 51,342</u>	<u>\$ 16,622</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 3,876	\$ 18,202	\$ 20,972	\$ 1,106
Dog	300	-	-	300
Township Assistance	4,473	7,738	3,492	8,719
Firefighting	4,097	3,695	4,000	3,792
Riverboat	3,876	19,831	20,101	3,606
Fiduciary Fund:				
Payroll Withholdings	-	1,418	1,182	236
Totals	<u>\$ 16,622</u>	<u>\$ 50,884</u>	<u>\$ 49,747</u>	<u>\$ 17,759</u>

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

CRAIG TOWNSHIP, SWITZERLAND 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 received 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.

CRAIG TOWNSHIP, SWITZERLAND COUNTY  
EXAMINATION RESULTS AND COMMENTS

ADVANCE PAYMENTS

Dates of transactions showed salary payments were made to the Township Clerk prior to services being rendered.

IC 5-7-3-1(a) states: "Public officers may not draw or receive their salaries in advance."

Compensation and any other payments for goods and services should not be paid in advance of receipt of the goods or services unless specifically authorized by statute. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

SALARY OVERPAYMENT

Betty Lucas, Township Clerk, was paid \$420 in excess of the amount approved by the Township Board for the year 2009.

IC 36-6-6-10 states in part (b): "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."

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Betty Lucas refunded the salary overpayment upon our request on April 20, 2010. (See Summary, page 8)

A similar comment was reported in prior Reports B33455 and B29605.

CRAIG TOWNSHIP, SWITZERLAND COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on April 22, 2010, with Anthony Jackson, Trustee. The official concurred with our findings.

CRAIG TOWNSHIP, SWITZERLAND COUNTY  
SUMMARY

	Charges	Credits	Balance Due
Betty Lucas, Township Clerk:			
Salary Overpayment, page 6	\$ 420.00	\$	\$
Refunded April 20, 2010		420.00	-
 Totals	\$ 420.00	\$ 420.00	\$ -