

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

EXAMINATION REPORT
OF
CASS TOWNSHIP
LAPORTE COUNTY, INDIANA
January 1, 2007 to December 31, 2008



FILED
05/28/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Tim A. Guse	01-01-04 to 12-31-11
Chairman of the Township Board	Jacqueline A. Tharp	01-01-07 to 12-31-10
School Superintendent	Norm Kliest	01-01-07 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CASS TOWNSHIP, LAPORTE COUNTY, INDIANA

We have examined the financial information presented herein of Cass Township (Township), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

February 17, 2010

CASS TOWNSHIP, LAPORTE COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended December 31, 2007

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
General government	\$ 44,413	\$ -	\$ -	\$ (44,413)
Public safety	31,630	-	-	(31,630)
Health and welfare	3,207	-	-	(3,207)
Instruction	859,896	-	19,823	(840,073)
Support services	673,895	64,683	37,671	(571,541)
Noninstructional services	115,312	-	-	(115,312)
Facilities acquisition and construction	12,434	-	-	(12,434)
Nonprogrammed charges	<u>52,602</u>	<u>-</u>	<u>-</u>	<u>(52,602)</u>
Total governmental activities	<u>\$ 1,793,389</u>	<u>\$ 64,683</u>	<u>\$ 57,494</u>	<u>(1,671,212)</u>
General receipts:				
Property taxes				216,409
Other local sources				205,248
State aid				829,616
Grants and contributions not restricted to specific programs				58,974
Investment earnings				41,565
Other				<u>8,496</u>
Total general receipts				<u>1,360,308</u>
Change in net assets				(310,904)
Restated net assets - beginning (Note 9)				<u>1,106,631</u>
Net assets - ending				<u>\$ 795,727</u>
<u>Assets</u>				
Cash and investments				<u>\$ 795,727</u>
<u>Net Assets</u>				
Unrestricted				<u>\$ 795,727</u>

The notes to the financial statements are an integral part of this statement.

CASS TOWNSHIP, LAPORTE COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended December 31, 2008

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
General government	\$ 43,705	\$ -	\$ -	\$ (43,705)
Public safety	10,815	-	-	(10,815)
Health and welfare	3,171	-	-	(3,171)
Instruction	878,662	-	52,928	(825,734)
Support services	780,601	68,426	35,466	(676,709)
Noninstructional services	119,838	-	-	(119,838)
Facilities acquisition and construction	15,029	-	-	(15,029)
Nonprogrammed charges	<u>670,910</u>	<u>-</u>	<u>-</u>	<u>(670,910)</u>
 Total governmental activities	 <u>\$ 2,522,731</u>	 <u>\$ 68,426</u>	 <u>\$ 88,394</u>	 <u>(2,365,911)</u>
 General receipts:				
Property taxes				1,209,786
Other local sources				246,618
State aid				841,236
Grants and contributions not restricted to specific programs				61,185
Investment earnings				41,426
Other				<u>3,292</u>
 Total general receipts				 <u>2,403,543</u>
 Change in net assets				 37,632
 Net assets - beginning				 <u>795,727</u>
 Net assets - ending				 <u>\$ 833,359</u>
 <u>Assets</u>				
Cash and investments				<u>\$ 833,359</u>
 <u>Net Assets</u>				
Unrestricted				<u>\$ 833,359</u>

The notes to the financial statements are an integral part of this statement.

CASS TOWNSHIP, LAPORTE COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2007

	Township General	School General	Transportation Operating	Capital Projects	School Bus Replacement	Other	Totals
Receipts:							
Local sources	\$ 4,466	\$ 379,473	\$ 11,301	\$ 61,132	\$ 3,439	\$ 68,094	\$ 527,905
State sources	-	846,439	-	-	5,200	11,808	863,447
Federal sources	-	-	-	-	-	82,637	82,637
Other	8,496	-	-	-	-	-	8,496
Total receipts	<u>12,962</u>	<u>1,225,912</u>	<u>11,301</u>	<u>61,132</u>	<u>8,639</u>	<u>162,539</u>	<u>1,482,485</u>
Disbursements:							
Current:							
General government	44,413	-	-	-	-	-	44,413
Public safety	-	-	-	-	-	31,630	31,630
Health and welfare	-	-	-	-	-	3,207	3,207
Instruction	-	821,190	-	-	-	38,706	859,896
Support services	-	396,420	118,424	114,714	8,995	35,342	673,895
Noninstructional services	-	23,891	-	-	-	91,421	115,312
Facilities acquisition and construction	-	-	-	11,954	-	480	12,434
Nonprogrammed charges	-	52,602	-	-	-	-	52,602
Total disbursements	<u>44,413</u>	<u>1,294,103</u>	<u>118,424</u>	<u>126,668</u>	<u>8,995</u>	<u>200,786</u>	<u>1,793,389</u>
Excess (deficiency) of receipts over disbursements	<u>(31,451)</u>	<u>(68,191)</u>	<u>(107,123)</u>	<u>(65,536)</u>	<u>(356)</u>	<u>(38,247)</u>	<u>(310,904)</u>
Other financing sources (uses):							
Transfers in	-	67,173	-	-	-	9,778	76,951
Transfers out	-	-	-	(58,579)	-	(18,372)	(76,951)
Total other financing sources (uses)	<u>-</u>	<u>67,173</u>	<u>-</u>	<u>(58,579)</u>	<u>-</u>	<u>(8,594)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(31,451)</u>	<u>(1,018)</u>	<u>(107,123)</u>	<u>(124,115)</u>	<u>(356)</u>	<u>(46,841)</u>	<u>(310,904)</u>
Restated cash and investments - beginning (Note 9)	<u>7,474</u>	<u>96,819</u>	<u>41,806</u>	<u>521,233</u>	<u>159,543</u>	<u>279,756</u>	<u>1,106,631</u>
Cash and investments - ending	<u>\$ (23,977)</u>	<u>\$ 95,801</u>	<u>\$ (65,317)</u>	<u>\$ 397,118</u>	<u>\$ 159,187</u>	<u>\$ 232,915</u>	<u>\$ 795,727</u>
Cash and Investment Assets - Ending							
Cash and investments	<u>\$ (23,977)</u>	<u>\$ 95,801</u>	<u>\$ (65,317)</u>	<u>\$ 397,118</u>	<u>\$ 159,187</u>	<u>\$ 232,915</u>	<u>\$ 795,727</u>
Cash and Investment Fund Balance - Ending							
Unrestricted	<u>\$ (23,977)</u>	<u>\$ 95,801</u>	<u>\$ (65,317)</u>	<u>\$ 397,118</u>	<u>\$ 159,187</u>	<u>\$ 232,915</u>	<u>\$ 795,727</u>

The notes to the financial statements are an integral part of this statement.

CASS TOWNSHIP, LAPORTE COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2008

	Township General	School General	Transportation Operating	Capital Projects	School Bus Replacement	Other	Totals
Receipts:							
Local sources	\$ 36,691	\$ 1,149,876	\$ 39,215	\$ 226,505	\$ 11,905	\$ 98,771	\$ 1,562,963
Intermediate sources	-	3,292	-	-	-	-	3,292
State sources	-	868,069	-	-	-	34,068	902,137
Federal sources	-	-	-	-	-	88,679	88,679
Other	3,292	-	-	-	-	-	3,292
Total receipts	39,983	2,021,237	39,215	226,505	11,905	221,518	2,560,363
Disbursements:							
Current:							
General government	43,705	-	-	-	-	-	43,705
Public safety	-	-	-	-	-	10,815	10,815
Health and welfare	-	-	-	-	-	3,171	3,171
Instruction	-	827,306	-	-	-	51,356	878,662
Support services	-	407,062	87,107	135,408	73,859	77,165	780,601
Noninstructional services	-	23,568	-	-	-	96,270	119,838
Facilities acquisition and construction	-	-	-	15,029	-	-	15,029
Nonprogrammed charges	-	651,940	-	1,275	-	17,695	670,910
Total disbursements	43,705	1,909,876	87,107	151,712	73,859	256,472	2,522,731
Excess (deficiency) of receipts over disbursements	(3,722)	111,361	(47,892)	74,793	(61,954)	(34,954)	37,632
Other financing sources (uses):							
Transfers in	22,306	59,002	-	-	-	100,000	181,308
Transfers out	-	(22,306)	-	(146,361)	-	(12,641)	(181,308)
Total other financing sources (uses)	22,306	36,696	-	(146,361)	-	87,359	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	18,584	148,057	(47,892)	(71,568)	(61,954)	52,405	37,632
Cash and investments - beginning	(23,977)	95,801	(65,317)	397,118	159,187	232,915	795,727
Cash and investments - ending	\$ (5,393)	\$ 243,858	\$ (113,209)	\$ 325,550	\$ 97,233	\$ 285,320	\$ 833,359
Cash and Investment Assets - Ending							
Cash and investments	\$ (5,393)	\$ 243,858	\$ (113,209)	\$ 325,550	\$ 97,233	\$ 285,320	\$ 833,359
Cash and Investment Fund Balance - Ending							
Unrestricted	\$ (5,393)	\$ 243,858	\$ (113,209)	\$ 325,550	\$ 97,233	\$ 285,320	\$ 833,359

The notes to the financial statements are an integral part of this statement.

CASS TOWNSHIP, LAPORTE COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUND
For the Year Ended December 31, 2007

	<u>Agency Funds</u>
Cash and investment fund balance - ending	\$ <u>6,039</u>

The notes to the financial statements are an integral part of this statement.

CASS TOWNSHIP, LAPORTE COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUND
For the Year Ended December 31, 2008

	<u>Agency Funds</u>
Cash and investment fund balance - ending	<u>\$ 5,036</u>

The notes to the financial statements are an integral part of this statement.

CASS TOWNSHIP, LAPORTE COUNTY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

Township, as used herein, shall include, but is not limited to, school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The Township was established under the laws of the State of Indiana. The Township operates under a Board of School Trustees form of government and provides educational services.

Note 2. Fund Accounting

A. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statements of Activities and Net Assets – Cash and Investment Basis display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities, although the Township does not have any business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the Township has not established any enterprise funds.

The Township reports the following major governmental funds:

The township general fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund.

The school general fund is the Township's primary operating fund for public education. It accounts for all financial resources of the Township school, except those required to be accounted for in another fund.

The transportation operating fund accounts for the financial resources for the transportation of school children to and from school.

The capital projects fund accounts for planned construction, repair, replacement or remodeling; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

CASS TOWNSHIP, LAPORTE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

The school bus replacement fund is used to account for receipts and disbursements concerning the acquisition and disposal of school buses.

Additionally, the Township reports the following fund type:

Agency funds account for assets held by the Township as an agent for other governmental entities.

B. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

If the Township utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The Township does not have any enterprise funds.

When both restricted and unrestricted resources are available for use, the Township's policy is to use restricted resources first, then unrestricted resources as they are needed.

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.

CASS TOWNSHIP, LAPORTE COUNTY
 NOTES TO FINANCIAL INFORMATION
 (Continued)

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.

Note 6. Disbursements in Excess of Appropriations

For the years ended December 31, 2007 and 2008, disbursements exceeded budget appropriations in the following funds by the amounts below:

Fund	2007	2008
Transportation Operating	\$ 25,617	\$ -
Special Education Preschool	-	7,695
Totals	\$ 25,617	\$ 7,695

These disbursements were funded by available fund balance.

Note 7. Cash and Investment Balance Deficits

At December 31, 2007 and 2008, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines as authorized by State statute:

CASS TOWNSHIP, LAPORTE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Fund	2007	2008
Township General	\$ 23,977	\$ 5,393
Transportation Operating	65,317	113,209
School Safe Haven	282	-
Class Size Reduction	7,138	11,495
Remediation Grant	-	15
Eisenhower/Technology Grants	-	479
Rural Schools and Low Income	-	426

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the underestimate of current requirements; these deficits are to be repaid from future receipts.

Note 8. Interfund Transfers

Interfund transfers for the years ended December 31, 2007 and 2008, were as follows:

Transfer From	Transfer To	2007	2008
Capital Projects	School General Fund	\$ 58,579	\$ 46,361
Capital Projects	Other governmental funds	-	100,000
School General Fund	Township General Fund	-	22,306
Other governmental funds	School General Fund	8,594	12,641
Other governmental funds	Other governmental funds	9,778	-
Totals		<u>\$ 76,951</u>	<u>\$ 181,308</u>

The Township typically uses transfers for cash flow purposes as provided by various statutory provisions.

Note 9. Restatements and Reclassifications

For the year ended December 31, 2007, certain changes have been made to the financial statements to more appropriately reflect financial activity of the Township. The following schedule presents a summary of restated beginning balances by opinion unit:

Opinion Unit	Balance as Reported December 31, 2006	Fund Reclassification	New Funds	Prior Period Adjustments	Balance as Restated December 31, 2006
Statement of Activities and Net Assets - Cash and Investment Basis: Governmental Activities	\$ 1,107,625	\$ (994)	\$ -	\$ -	\$ 1,106,631
Statement of Assets and Fund Balance and Receipts, Disbursements, and Changes in Fund Balances - Cash and Investment Basis Governmental Funds	291,250	(11,494)	-	-	279,756
Statement of Additions, Deductions, and Changes in Cash and Investment Balances Fiduciary Funds Agency Funds	11,406	994	-	-	12,400

CASS TOWNSHIP, LAPORTE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 10. Pension Plans

1. Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

PERF members are required to contribute 3 percent of their annual covered salary. The Township is required to contribute at an actuarially determined rate; the current rate is 10 percent of annual covered payroll. The contribution requirements of plan members and the Township are established and may be amended by the PERF Board of Trustees.

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The Township's annual pension cost and related information, as provided by the actuary, is presented in this note.

CASS TOWNSHIP, LAPORTE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 4,162
Interest on net pension obligation	(67)
Adjustment to annual required contribution	76
Annual pension cost	4,171
Contributions made	5,765
Increase (decrease) in net pension obligation	(1,594)
Net pension obligation, beginning of year	(921)
Net pension obligation, end of year	\$ (2,515)

	PERF
Contribution rates:	
Township	10%
Plan members	3%
Actuarial valuation date	07-01-08
Actuarial cost method	Entry age normal cost
Amortization method	Level dollar, closed amortization period percentage of projected payroll, closed
Amortization period	30 years
Amortization period (from date)	07-01-07
Asset valuation method	75% of expected actuarial value plus 25% of market value

<u>Actuarial Assumptions</u>	PERF
Investment rate of return	7.25%
Projected future salary increases:	
Total	5%
Attributed to inflation	4%
Attributed to merit/seniority	1%
Cost-of-living adjustments	2%

CASS TOWNSHIP, LAPORTE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 5,902	63%	\$ (2,328)
	06-30-07	4,472	69%	(921)
	06-30-08	4,171	138%	(2,515)

Funded Status and Funding Progress for the Above Plan

The funded status of each plan as of July 1, 2008, the most recent actuarial valuation date is as follows:

Retirement Plan	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
PERF	\$ 136,547	\$ 145,304	\$ (8,757)	94%	\$ 52,451	17%

The Schedule of Funding Progress, presented as RSI for the above plans following the Notes to the Financial Information, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

Teachers' Retirement Fund

Plan Description

The Township contributes to the Indiana Teachers' Retirement Fund (TRF), a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the TRF Board, most requirements of the system and gives the Township authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The Township may elect to make the contributions on behalf of the member.

TRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

CASS TOWNSHIP, LAPORTE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Teachers' Retirement Fund
150 West Market Street
Indianapolis, IN 46204
Ph. (317) 232-3860

Funding Policy and Annual Pension Costs

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The Township currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

The Township's contributions to the plan during the period were \$26,997.

Note 11. Subsequent Events

Property Taxes

LaPorte County has not completed and settled an approved property tax cycle since the 2005 payable 2006 property tax year. Each subsequent year the County has sent out various forms of provisional bills with the notice that a reconciliation bill will be provided to taxpayers once assessments are approved and certified and final tax rates are established.

It is undeterminable how much property tax collections the Township will receive once all the reconciliation bills have been distributed and the collections received.

Federal Financial Assistance – ARRA

The Township was awarded American Recovery and Reinvestment Act (ARRA) funds in June and September of 2009 to supplement General Fund expenditures in the amount of \$169,848.

CASS TOWNSHIP, LAPORTE COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 106,860	\$ 128,868	\$ (22,008)	83%	\$ 50,977	(43%)
07-01-07	121,236	137,777	(16,541)	88%	50,331	(33%)
07-01-08	136,547	145,304	(8,757)	94%	52,451	(17%)

CASS TOWNSHIP, LAPORTE COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2007

	Special Education Preschool	Rainy Day	School Lunch	Textbook Rental	Educational License Plates	School Safe Haven	Remediation Grant	Extra- Curricular Activities
Receipts:								
Local sources	\$ 622	\$ -	\$ 64,683	\$ -	\$ 38	\$ -	\$ -	\$ -
State sources	-	-	1,752	6,696	-	-	-	-
Federal sources	-	-	29,223	-	-	-	-	-
Total receipts	622	-	95,658	6,696	38	-	-	-
Disbursements:								
Current:								
Public safety	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Instruction	-	-	-	-	-	-	921	-
Support services	-	-	2,566	50	-	300	-	-
Noninstructional services	-	-	91,421	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Total disbursements	-	-	93,987	50	-	300	921	-
Excess (deficiency) of receipts over disbursements	622	-	1,671	6,646	38	(300)	(921)	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	225	9,176
Transfers out	-	-	-	(8,367)	-	-	(225)	(809)
Total other financing sources (uses)	-	-	-	(8,367)	-	-	-	8,367
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	622	-	1,671	(1,721)	38	(300)	(921)	8,367
Restated cash and investments - beginning (Note 9)	50,867	75,000	16,324	1,721	769	18	1,965	809
Cash and investments - ending	\$ 51,489	\$ 75,000	\$ 17,995	\$ -	\$ 807	\$ (282)	\$ 1,044	\$ 9,176
Cash and Investment Assets - Ending								
Cash and investments	\$ 51,489	\$ 75,000	\$ 17,995	\$ -	\$ 807	\$ (282)	\$ 1,044	\$ 9,176
Cash and Investment Fund Balance - Ending								
Unrestricted	\$ 51,489	\$ 75,000	\$ 17,995	\$ -	\$ 807	\$ (282)	\$ 1,044	\$ 9,176
Total cash and investment fund balance - ending	\$ 51,489	\$ 75,000	\$ 17,995	\$ -	\$ 807	\$ (282)	\$ 1,044	\$ 9,176

CASS TOWNSHIP, LAPORTE COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2007
 (Continued)

	Gifted and Talented	Internet Grant	Title I	Innovative Education Program	Drug Free Schools	Eisenhower/ Technology Grants	Class Size Reduction
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -
State sources	-	-	-	360	-	-	-
Federal sources	-	-	21,969	-	7,030	-	-
Total receipts	-	-	21,969	360	7,130	-	-
Disbursements:							
Current:							
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Instruction	389	-	23,817	-	6,210	-	5,727
Support services	170	-	-	-	-	7,765	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Total disbursements	559	-	23,817	-	6,210	7,765	5,727
Excess (deficiency) of receipts over disbursements	(559)	-	(1,848)	360	920	(7,765)	(5,727)
Other financing sources (uses):							
Transfers in	377	-	-	-	-	-	-
Transfers out	-	(377)	-	(3,019)	-	-	-
Total other financing sources (uses)	377	(377)	-	(3,019)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(182)	(377)	(1,848)	(2,659)	920	(7,765)	(5,727)
Restated cash and investments - beginning (Note III.C)	10,466	377	18,970	5,807	414	8,098	(1,411)
Cash and investments - ending	\$ 10,284	\$ -	\$ 17,122	\$ 3,148	\$ 1,334	\$ 333	\$ (7,138)
Cash and Investment Assets - Ending							
Cash and investments	\$ 10,284	\$ -	\$ 17,122	\$ 3,148	\$ 1,334	\$ 333	\$ (7,138)
Cash and Investment Fund Balance - Ending							
Unrestricted	\$ 10,284	\$ -	\$ 17,122	\$ 3,148	\$ 1,334	\$ 333	\$ (7,138)
Total cash and investment fund balance - ending	\$ 10,284	\$ -	\$ 17,122	\$ 3,148	\$ 1,334	\$ 333	\$ (7,138)

CASS TOWNSHIP, LAPORTE COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2007
 (Continued)

	Improving Teacher Quality	Technology Grant	Rural Schools and Low Income	Firefighting Fund	Township Assistance Fund	Dog Fund	Totals
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ 2,651	\$ -	\$ -	\$ 68,094
State sources	3,000	-	-	-	-	-	11,808
Federal sources	-	-	24,415	-	-	-	82,637
Total receipts	3,000	-	24,415	2,651	-	-	162,539
Disbursements:							
Current:							
Public safety	-	-	-	31,630	-	-	31,630
Health and welfare	-	-	-	-	3,207	-	3,207
Instruction	568	-	1,074	-	-	-	38,706
Support services	3,326	-	21,165	-	-	-	35,342
Noninstructional services	-	-	-	-	-	-	91,421
Facilities acquisition and construction	-	-	480	-	-	-	480
Total disbursements	3,894	-	22,719	31,630	3,207	-	200,786
Excess (deficiency) of receipts over disbursements	(894)	-	1,696	(28,979)	(3,207)	-	(38,247)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	9,778
Transfers out	(5,575)	-	-	-	-	-	(18,372)
Total other financing sources (uses)	(5,575)	-	-	-	-	-	(8,594)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,469)	-	1,696	(28,979)	(3,207)	-	(46,841)
Restated cash and investments - beginning (Note III.C)	12,763	2,402	98	45,291	28,323	685	279,756
Cash and investments - ending	\$ 6,294	\$ 2,402	\$ 1,794	\$ 16,312	\$ 25,116	\$ 685	\$ 232,915
Cash and Investment Assets - Ending							
Cash and investments	\$ 6,294	\$ 2,402	\$ 1,794	\$ 16,312	\$ 25,116	\$ 685	\$ 232,915
Cash and Investment Fund Balance - Ending							
Unrestricted	\$ 6,294	\$ 2,402	\$ 1,794	\$ 16,312	\$ 25,116	\$ 685	\$ 232,915
Total cash and investment fund balance - ending	\$ 6,294	\$ 2,402	\$ 1,794	\$ 16,312	\$ 25,116	\$ 685	\$ 232,915

CASS TOWNSHIP, LAPORTE COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2008

	Special Education Preschool	Rainy Day	School Lunch	Educational License Plates	School Safe Haven	Remediation Grant	Drug Free Communities
Receipts:							
Local sources	\$ 2,153	\$ -	\$ 68,426	\$ 225	\$ -	\$ -	\$ -
State sources	-	-	2,045	-	568	-	4,820
Federal sources	-	-	32,882	-	-	-	-
Total receipts	2,153	-	103,353	225	568	-	4,820
Disbursements:							
Current:							
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Instruction	-	-	-	-	-	1,059	4,284
Support services	-	39,094	2,185	-	-	-	50
Noninstructional services	-	-	96,270	-	-	-	-
Nonprogrammed charges	17,695	-	-	-	-	-	-
Total disbursements	17,695	39,094	98,455	-	-	1,059	4,334
Excess (deficiency) of receipts over disbursements	(15,542)	(39,094)	4,898	225	568	(1,059)	486
Other financing sources (uses):							
Transfers in	-	100,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	100,000	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(15,542)	60,906	4,898	225	568	(1,059)	486
Cash and investments - beginning	51,489	75,000	17,995	807	(282)	1,044	-
Cash and investments - ending	<u>\$ 35,947</u>	<u>\$ 135,906</u>	<u>\$ 22,893</u>	<u>\$ 1,032</u>	<u>\$ 286</u>	<u>\$ (15)</u>	<u>\$ 486</u>
Cash and Investment Assets - Ending							
Cash and investments	<u>\$ 35,947</u>	<u>\$ 135,906</u>	<u>\$ 22,893</u>	<u>\$ 1,032</u>	<u>\$ 286</u>	<u>\$ (15)</u>	<u>\$ 486</u>
Total cash and investment assets - ending	<u>\$ 35,947</u>	<u>\$ 135,906</u>	<u>\$ 22,893</u>	<u>\$ 1,032</u>	<u>\$ 286</u>	<u>\$ (15)</u>	<u>\$ 486</u>
Cash and Investment Fund Balance - Ending							
Unrestricted	<u>\$ 35,947</u>	<u>\$ 135,906</u>	<u>\$ 22,893</u>	<u>\$ 1,032</u>	<u>\$ 286</u>	<u>\$ (15)</u>	<u>\$ 486</u>
Total cash and investment fund balance - ending	<u>\$ 35,947</u>	<u>\$ 135,906</u>	<u>\$ 22,893</u>	<u>\$ 1,032</u>	<u>\$ 286</u>	<u>\$ (15)</u>	<u>\$ 486</u>

CASS TOWNSHIP, LAPORTE COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2008
 (Continued)

	Extra- Curricular Activities	Gifted and Talented	Title I	Innovative Education Program	Drug Free Schools	Eisenhower/ Technology Grants	Class Size Reduction
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	540	26,095	-	-	-	-	-
Federal sources	-	-	22,649	-	819	-	-
Total receipts	540	26,095	22,649	-	819	-	-
Disbursements:							
Current:							
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Instruction	-	7,076	26,163	1,326	913	-	4,357
Support services	4,789	2,509	-	69	-	812	-
Noninstructional services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	4,789	9,585	26,163	1,395	913	812	4,357
Excess (deficiency) of receipts over disbursements	(4,249)	16,510	(3,514)	(1,395)	(94)	(812)	(4,357)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	(4,927)	-	-	(939)	-	-	-
Total other financing sources (uses)	(4,927)	-	-	(939)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,176)	16,510	(3,514)	(2,334)	(94)	(812)	(4,357)
Cash and investments - beginning	9,176	10,284	17,122	3,148	1,334	333	(7,138)
Cash and investments - ending	\$ -	\$ 26,794	\$ 13,608	\$ 814	\$ 1,240	\$ (479)	\$ (11,495)
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ 26,794	\$ 13,608	\$ 814	\$ 1,240	\$ (479)	\$ (11,495)
Total cash and investment assets - ending	\$ -	\$ 26,794	\$ 13,608	\$ 814	\$ 1,240	\$ (479)	\$ (11,495)
<u>Cash and Investment Fund Balance - Ending</u>							
Unrestricted	\$ -	\$ 26,794	\$ 13,608	\$ 814	\$ 1,240	\$ (479)	\$ (11,495)
Total cash and investment fund balance - ending	\$ -	\$ 26,794	\$ 13,608	\$ 814	\$ 1,240	\$ (479)	\$ (11,495)

CASS TOWNSHIP, LAPORTE COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2008
 (Continued)

	Improving Teacher Quality	Technology Grant	Rural Schools and Low Income	Firefighting Fund	Township Assistance Fund	Dog Fund	Totals
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ 27,967	\$ -	\$ -	\$ 98,771
State sources	-	-	-	-	-	-	34,068
Federal sources	7,976	-	24,353	-	-	-	88,679
Total receipts	7,976	-	24,353	27,967	-	-	221,518
Disbursements:							
Current:							
Public safety	-	-	-	10,815	-	-	10,815
Health and welfare	-	-	-	-	3,171	-	3,171
Instruction	3,668	-	2,510	-	-	-	51,356
Support services	1,590	2,004	24,063	-	-	-	77,165
Noninstructional services	-	-	-	-	-	-	96,270
Nonprogrammed charges	-	-	-	-	-	-	17,695
Total disbursements	5,258	2,004	26,573	10,815	3,171	-	256,472
Excess (deficiency) of receipts over disbursements	2,718	(2,004)	(2,220)	17,152	(3,171)	-	(34,954)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	100,000
Transfers out	(6,775)	-	-	-	-	-	(12,641)
Total other financing sources (uses)	(6,775)	-	-	-	-	-	87,359
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,057)	(2,004)	(2,220)	17,152	(3,171)	-	52,405
Cash and investments - beginning	6,294	2,402	1,794	16,312	25,116	685	232,915
Cash and investments - ending	\$ 2,237	\$ 398	\$ (426)	\$ 33,464	\$ 21,945	\$ 685	\$ 285,320
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 2,237	\$ 398	\$ (426)	\$ 33,464	\$ 21,945	\$ 685	\$ 285,320
Total cash and investment assets - ending	\$ 2,237	\$ 398	\$ (426)	\$ 33,464	\$ 21,945	\$ 685	\$ 285,320
<u>Cash and Investment Fund Balance - Ending</u>							
Unrestricted	\$ 2,237	\$ 398	\$ (426)	\$ 33,464	\$ 21,945	\$ 685	\$ 285,320
Total cash and investment fund balance - ending	\$ 2,237	\$ 398	\$ (426)	\$ 33,464	\$ 21,945	\$ 685	\$ 285,320

CASS TOWNSHIP, LAPORTE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended December 31, 2007

	Payroll Clearing	Levy Excess	Totals
Additions:			
Agency fund additions	\$ 330,113	\$ -	\$ 330,113
Deductions:			
Agency fund deductions	336,474	-	336,474
Excess (deficiency) of total additions over total deductions	(6,361)	-	(6,361)
Restated cash and investment fund balance - beginning (Note 9)	11,406	994	12,400
Cash and investment fund balance - ending	\$ 5,045	\$ 994	\$ 6,039

CASS TOWNSHIP, LAPORTE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For the Year Ended December 31, 2008

	Payroll Clearing	Levy Excess	Totals
Additions:			
Agency fund additions	\$ 344,309	\$ -	\$ 344,309
Deductions:			
Agency fund deductions	345,312	-	345,312
Excess (deficiency) of total additions over total deductions	(1,003)	-	(1,003)
Cash and investment fund balance - beginning	5,045	994	6,039
Cash and investment fund balance - ending	\$ 4,042	\$ 994	\$ 5,036

CASS TOWNSHIP, LAPORTE COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2008

The Township has entered into the following long-term debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Loan payable	\$ 189,647	\$ 25,997

CASS TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULTS AND COMMENTS

CASH NECESSARY TO BALANCE, BANK RECONCILIATIONS

A comparison of the records to the bank account indicated a cash necessary to balance for the years 2007 and 2008 of \$3,023.58 and \$4,900.06, respectively.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OVERDRAWN FUND BALANCES

The Township General Fund and the Transportation Operating Fund were overdrawn in 2007 by \$23,977 and \$65,317, respectively, and in 2008 by \$5,393 and \$113,209, respectively.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

COMPUTER CONTROLS

A new software program was implemented in 2006 to maintain the Township records. The Combined Ledger by Location (All Detail) records all financial activity for each fund of the Township for the years 2007 and 2008. A Summary of Receipts and Expenditures at month end is used to reconcile the bank account to the records. The ending balances, per the Combined Ledger, for 2007 for School General, School Lunch, Textbook Rental, Payroll Clearing and five grant funds did not agree to the Summary of Receipts and Expenditures at December 31, 2007.

The differences for 2007 were due to the following:

A \$50,000.00 check for the School General Fund was written to Dewey Township on December 31, 2007, that was posted to the Combined Ledger but the disbursement was not included in the expenditures on Summary of Receipts and Expenditures.

An Auditor of State distribution for \$3,296.21 for the School General Fund was received on December 31, 2007, was posted to the Combined Ledger but was not included in the receipts on the Summary of Receipts and Expenditures.

A transfer of \$8,367.09 for the Textbook Rental Fund, was made to the Extra-Curricular Activities fund, was posted to the Combined Ledger, but was not included as a receipt and expenditure for the respective funds on the Summary of Receipts and Expenditures.

Transfers for the grant funds, were made between various grant funds, these transfers were posted to the Combined Ledger but were not included as a receipt and expenditure for the respective funds on the Summary of Receipts and Expenditures.

CASS TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

We also noted, that in 2008, the beginning balances for Levy Excess, Extra-Curricular Activities, Payroll Clearing and all of the grants funds were not carried over in the Combined Ledger.

The computerized accounting system must provide input edits and controls to assure that information entered into the system is accurate, that all appropriate information is entered into the system, and that information is entered into the system only once. All information entered into the system must be authorized through effective manual or electronic controls. Transaction dates should be based upon system generated dates which cannot be modified by the user. If necessary, the system may provide an additional effective date of the transaction that is user controlled. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 14)

The computerized accounting system must incorporate features that assure all accounting information is reported accurately and completely. Procedures must also exist to assure that only authorized individuals have access to computer generated output. All receipts or payments generated by the accounting system must include unique document identification numbers either preprinted on the form or printed on the form by the application system. If the numbers are printed on the form by the application system, adequate security must be implemented to prevent unauthorized modification of the number sequence. Preprinted receipt and check stock must not include preprinted signatures, must be securely stored, and usage must be logged and reconciled. If the report content can be modified via user selection of various criteria such as account codes, department codes, transaction codes, status codes, etc., the report heading should contain sufficient information regarding the selection criteria to allow another user to understand what information is being reported and recreate the report. All output reports must clearly indicate the effective dates of the information in addition to the report generation date. Output reports must have appropriate subtotals to allow reconciliation to other reports and to external documentation. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 14)

TOWNSHIP ANNUAL REPORT

The beginning balances in the 2007 Township Annual Report for the School General, Capital Projects, and School Lunch Funds and the beginning balance in the 2008 Township Annual Report for the School General Fund did not agree to the Combined Ledger as follows:

<u>Fund</u>	<u>Years</u>	<u>Township Annual Report</u>	<u>Combined Ledger</u>	<u>Difference</u>
School General	2007	\$ (109,266)	\$(106,084)	\$ (3,182)
Capital Projects	2007	71,095	71,233	138
School Lunch	2007	14,540	16,324	1,784
School General	2008	75,780	68,822	6,958

The Textbook Rental Fund and the Payroll Clearing Fund were not reported in the 2007 Township Annual Report and the Payroll Clearing Fund was not reported in the 2008 Township Annual Report.

CASS TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Township, Chapter 13)

RECEIPT ISSUANCE

Receipts were not issued by the Township in 2007 and 2008.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

APPROPRIATIONS

The Transportation Operating Fund expenditures exceeded the budgeted appropriations by \$25,617 in 2007. The Special Education Preschool Fund expenditures exceeded the budgeted appropriations by \$7,695 in 2008.

IC 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."

CASS TOWNSHIP, LAPORTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on February 25, 2010, with Tim A. Guse, Trustee; Norm Kleist, School Superintendent; Jacqueline A. Tharp, Chairman of the Township Board; and Dara Guse, Township Clerk.