

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

EXAMINATION REPORT
OF
TOWNSHIP TRUSTEE, BUCK CREEK TOWNSHIP
HANCOCK COUNTY, INDIANA
October 12, 2009 to February 28, 2012



FILED
05/31/2012

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OFFICIALS

Office

Official

Term

Trustee

Melvin Branson

01-01-07 to 12-31-14

Chairman of the
Township Board

Brent Vail
(Vacant)

01-01-09 to 02-28-12
02-29-12 to current



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TO: THE OFFICIALS OF BUCK CREEK TOWNSHIP, HANCOCK COUNTY

We have examined the records of the Township Trustee, Buck Creek Township, for the period from October 12, 2009 to February 28, 2012, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Examination Results and Comments. The financial transactions of this office are reflected in the Financial Statement Examination Report of Buck Creek Township, Hancock County, for the years 2010 and 2011.

STATE BOARD OF ACCOUNTS

March 29, 2012

BUCK CREEK TOWNSHIP
HANCOCK COUNTY
EXAMINATION RESULTS AND COMMENTS

CELL PHONE AND INTERNET EXPENSES - UNRELATED TO TOWNSHIP

The Township paid \$2,098.88 for personal cell phone and internet costs for Micole Chatman, nonemployee, during the examination period and through the date of this report. The cell phone number was added to the Township's service in January 2010 and billed along with other Township cell phone service beginning in February 2010. On February 28, 2012, we verified the phone number was still in use by Ms. Chatman. The internet costs were added to the Township's bill in February 2011. Both expenses continued through February 2012.

Beginning in 2011 some of these expenses were paid personally by Ms. Chatman and Melvin Branson, Trustee. The checks were given to the Trustee and made payable to Verizon. Then the Township and personal checks were sent to Verizon to pay the Township's bill. Personal payments for the cell phone and internet costs were made by Micole Chatman or on her behalf in the amount of \$619.55. This resulted in the Township paying a net amount of \$1,479.33 for the personal phone and internet costs.

We requested Melvin Branson, Trustee, to reimburse the Township \$1,479.33 for paying the personal cell phone and internet expenses which were unrelated to the Township. (See Summary of Charges, page 7)

Melvin Branson, Trustee, reimbursed the Township \$1,479.33 on March 27, 2012, for the personal cell phone and internet expenses.

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

TOWNSHIP ASSISTANCE FOR COBRA COSTS

Township Assistance was paid to a relative of the Township Trustee in the amount of \$1,912.00 for COBRA during 2009 and 2010. No one else received the same assistance in the examination period. The payments were noted as medical costs, but this was not allowed by statute.

We requested Melvin Branson, Trustee, to reimburse the Township \$1,912.00 for unallowed assistance in the form of COBRA payments from the Township Assistance Fund. (See Summary of Charges, page 7)

Melvin Branson, Trustee, reimbursed the Township \$1,912.00 on March 27, 2012, for the unallowed assistance in the form of COBRA payments from the Township Assistance Fund.

Indiana Code 12-20-16-2(c) states:

"(c) The township trustee shall pay only for the following medical services for the poor of the township:

BUCK CREEK TOWNSHIP
HANCOCK COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (1) Prescription drugs, not to exceed a thirty (30) day supply at a time, as prescribed by an attending practitioner (as defined in IC 16-42-19-5) other than a veterinarian. However, if the prescription drugs are available only in a container that contains more than a thirty (30) day supply, the township trustee may pay for the available size.
- (2) Office calls to a physician licensed under IC 25-22.5 or another medical provider.
- (3) Dental care needed to relieve pain or infection or to repair cavities.
- (4) Repair or replacement of dentures.
- (5) Emergency room treatment that is of an emergency nature.
- (6) Preoperation testing prescribed by an attending physician licensed under IC 25-22.5.
- (7) Over-the-counter drugs prescribed by a practitioner (as defined in IC 16-42-19-5) other than a veterinarian.
- (8) X-rays and laboratory testing as prescribed by an attending physician licensed under IC 25-22.5.
- (9) Visits to a medical specialist when referred by an attending physician licensed under IC 25-22.5.
- (10) Physical therapy prescribed by an attending physician licensed under IC 25-22.5.
- (11) Eyeglasses.
- (12) Repair or replacement of a prosthesis not provided for by other tax supported state or federal programs.
- (13) Insulin and items needed to administer the biological, not to exceed a thirty (30) day supply at a time, in accordance with section 14 of this chapter. However, if the biologicals are available only in a container that contains more than a thirty (30) day supply, the township trustee may pay for the available size."

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OFFICIAL'S BOND COVERAGE

Melvin Branson, Trustee, obtained a surety bond from Bond Safeguard Insurance Company in the amount of \$37,500 covering the period of March 1, 2009 to January 1, 2011. A second surety company provided surety bonds for three additional periods. The Ohio Casualty Insurance Company issued officials bonds in the amount of \$90,000 each covering the periods: July 23, 2010 to December 31, 2010; December 31, 2010 to December 31, 2011; and December 31, 2011 to end on Continuous.

BUCK CREEK TOWNSHIP
HANCOCK COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 29, 2012, with Melvin Branson, Trustee, and Gene Springer, Board member. The officials concurred with our findings.

BUCK CREEK TOWNSHIP
HANCOCK COUNTY
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Melvin Branson, Trustee:			
Cell Phone and Internet Expenses -			
Unrelated to Township, page 4	\$ 1,479.33	\$ 1,479.33	\$ -
Township Assistance for COBRA Costs,			
pages 4 and 5	<u>1,912.00</u>	<u>1,912.00</u>	<u>-</u>
Totals	<u>\$ 3,391.33</u>	<u>\$ 3,391.33</u>	<u>\$ -</u>

This report was forwarded to the Office of the Indiana Attorney General and the local prosecuting attorney.