

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

AUDIT REPORT

OF

CLERK-TREASURER

TOWN OF KINGMAN, INDIANA

January 1, 2011 to December 31, 2012



FILED

03/06/2014

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TOWN OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Abigail G. Lawson	01-01-11 to 06-01-12
	Tamara D. Newby	06-02-12 to 10-12-12
	(Vacant)	10-13-12 to 10-24-12
	Darcy Freed	10-25-12 to 11-13-12
	Abigail G. Lawson	11-14-12 to 12-31-15
President of the Town Council	Thomas D. Hunt	01-11-11 to 07-02-12
	Michael R. Lenover	07-03-12 to 12-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF KINGMAN

We have audited the records of the Clerk-Treasurer for the period from January 1, 2011 to December 31, 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 Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of the Town of Kingman for the years 2011 and 2012.

STATE BOARD OF ACCOUNTS

November 12, 2013

CLERK-TREASURER
TOWN OF KINGMAN
AUDIT RESULTS AND COMMENTS

COMPENSATION AND BENEFITS - OVERPAYMENT OF SALARY

The Town paid Tamara D. Newby, former Clerk-Treasurer, \$875 on October 11, 2012, and she resigned on October 12, 2012. This payment would have been the entire amount due for the month of October. This resulted in an overpayment of \$536.29.

We have requested Tamara D. Newby, former Clerk-Treasurer, to reimburse the Town \$536.29. (See Summary of Charges, page 7)

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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 Cities and Towns, Chapter 7)

PENALTIES, INTEREST, AND OTHER CHARGES

The Town paid penalties, interest, and other charges to the following during the audit period:

	<u>Tax</u>	<u>Year</u>	<u>Penalties</u>	<u>Interest</u>	<u>Totals</u>
Debra S. Hall:					
Internal Revenue Service	941	2009	\$ 234.79	\$ 37.01	\$ 271.80
Internal Revenue Service	941	2010	0.68	0.34	1.02
Indiana Department of Revenue	Withholding	2010	66.94	9.38	76.32
Indiana Department of Revenue	Sales	2010	<u>93.07</u>	<u>11.77</u>	<u>104.84</u>
Total for Debra S. Hall			<u>395.48</u>	<u>58.50</u>	<u>453.98</u>
Abigail G. Lawson:					
Internal Revenue Service	941	2010	10.40	4.82	15.22
Indiana Department of Revenue	Withholding	2010	5.00	1.58	6.58
Indiana Department of Revenue	Withholding	2012	17.66	0.06	17.72
Indiana Department of Revenue	Sales	2010	<u>40.40</u>	<u>2.27</u>	<u>42.67</u>
Total for Abigail G. Lawson			<u>73.46</u>	<u>8.73</u>	<u>82.19</u>
Totals			<u>\$ 468.94</u>	<u>\$ 67.23</u>	<u>\$ 536.17</u>

CLERK-TREASURER
TOWN OF KINGMAN
AUDIT RESULTS AND COMMENTS
(Continued)

We have requested Debra S. Hall, former Clerk-Treasurer, to reimburse the Town \$453.98 and Abigail G. Lawson, Clerk-Treasurer, to reimburse the Town \$82.19. (See Summary of Charges, page 7)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

OFFICIAL BONDS

Debra S. Hall, former Clerk-Treasurer, had an official bond with RLI Insurance Company, for the period of November 30, 2008 to November 30, 2009, in the amount of \$15,000. RLI Surety, a division of RLI Insurance Company issued a continuation certificate for the period November 30, 2009 to November 30, 2010, in the amount of \$15,000. On November 21, 2009, RLI Surety issued a continuation certification for the period November 30, 2009 to November 30, 2010, in the amount of \$30,000.

Tamara D. Newby, former Clerk-Treasurer, had an official bond with Auto-Owners Insurance Company, for the period of June 1, 2012 to June 1, 2013, in the amount of \$30,000.

Abigail G. Lawson, Clerk-Treasurer, had official bonds with Auto-Owners Insurance Company, for the periods of January 1, 2011 to January 1, 2012, January 1, 2012 to January 1, 2013, and January 1, 2013 to January 1, 2014, in the amounts of \$30,000 for each period.

CLERK-TREASURER
TOWN OF KINGMAN
EXIT CONFERENCE

The contents of this report were discussed on November 12, 2013, with Abigail G. Lawson, Clerk-Treasurer; Tamara D. Newby, former Clerk-Treasurer; and Michael R. Lenover, President of the Town Council. The officials concurred with our audit findings.

CLERK-TREASURER
TOWN OF KINGMAN
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Tamara D. Newby, former Clerk-Treasurer: Compensation and Benefits - Overpayment of Salary, page 4	\$ 536.29	\$ -	\$ 536.29
Debra S. Hall, former Clerk-Treasurer: Penalties, Interest, and Other Charges, pages 4 and 5	453.98	-	453.98
Abigail G. Lawson, Clerk Treasurer: Penalties, Interest, and Other Charges, pages 4 and 5	<u>82.19</u>	<u>-</u>	<u>82.19</u>
Totals	<u>\$ 1,072.46</u>	<u>\$ -</u>	<u>\$ 1,072.46</u>

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

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AFFIDAVIT

STATE OF INDIANA)
)
WARREN COUNTY)

We, Misti L. Thornton, CPA, Field Examiner; Melissa Griffin, Field Examiner; and Drew Richards, Field Examiner, being duly sworn on our oaths, state that the foregoing report based on the official records of the Clerk-Treasurer, Town of Kingman, Indiana, for the period from January 1, 2011 to December 31, 2012, is true and correct to the best of our knowledge and belief.

Misti L. Thornton, CPA

Melissa Griffin

Drew Richards
Field Examiners

Subscribed and sworn to before me this 12 day of DEC, 2013

Drew Griffith
Clerk of the Circuit Court

