

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF PLAINFIELD

HENDRICKS COUNTY, INDIANA

January 1, 2013 to December 31, 2013



**FILED**

01/09/2015



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Wesley Bennett	01-01-12 to 12-31-15
President of the Town Council	Robin Brandgard	01-01-13 to 12-31-14
Superintendent of Utilities	Jason Castetter	01-01-13 to 12-31-14



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF PLAINFIELD, HENDRICKS COUNTY, INDIANA

This report is supplemental to our audit report of the Town of Plainfield (Town), for the period from January 1, 2013 to December 31, 2013. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Findings that pertain to the Town. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the Town, which provides our opinions on the Town's financial statement and federal program compliance. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

The Federal Finding, identified in the above referenced audit report, is included in this report and should be viewed in conjunction with the Audit Result and Comment as described below.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Result and Comment contained herein describes the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Corrective Action Plan for the Federal Finding and Official Response to the Audit Result and Comment, incorporated within this report, was not verified for accuracy.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

November 25, 2014

CLERK-TREASURER  
TOWN OF PLAINFIELD  
FEDERAL FINDING

***FINDING 2013-001 - INTERNAL CONTROLS OVER FINANCIAL REPORTING***

The Town did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The Town should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, we noted that not all federal expenditures reported by the Town were accurate or reflective of the actual federal expenditures. Audit adjustments were proposed, accepted by the Town, and made to the SEFA presented in this report.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

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 Cities and Towns, Chapter 7)

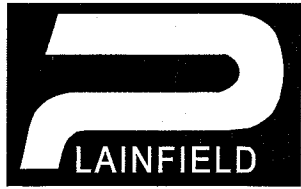
OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

OMB Circular A-133, Subpart C, section .310(b) states:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

CLERK-TREASURER  
TOWN OF PLAINFIELD  
FEDERAL FINDING  
(Continued)

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."



# TOWN OF PLAINFIELD

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## TOWN COUNCIL

**ROBIN G. BRANDGARD**  
President  
Water Department  
Fire Department

**BILL KIRCHOFF**  
Vice-President  
Street Department

**KENT McPHAIL**  
Police Department  
Public Relations

**EDMUND GADDIE, JR.**  
Sewer Department  
Sanitation

**RENEA WHICKER**  
Parks Department  
Properties

**WESLEY R. BENNETT**  
Clerk-Treasurer

**TOWN MANAGER**  
Richard A. Carlucci

**HR DIRECTOR**  
Ronald Lydick

**TOWN ENGINEER**  
Timothy A. Belcher

**DEPUTY BUILDING  
COMMISSIONER**  
Edward Rudolphi

**DIRECTOR OF  
PLANNING**  
Joe Y. James

**PUBLIC WORKS  
SUPERINTENDENT**  
Jason Castetter

**FIRE CHIEF**  
Brian Russell

**POLICE CHIEF**  
Darel Krieger

**ATTORNEY**  
Melvin R. Daniel

August 19, 2014

Corrective Action Plan  
Section II Financial Statement Findings

FINDING 2013-001 Internal Controls Over Financial Reporting

Corrections to the SEFA

The Town of Plainfield uses the state revolving funds as a source of construction bonds to fund utility projects. Since the federal government backs the bonds, they require a percentage of the draw-down bond receipts to be declared as a federal grant. The entire amount of the draw-down was reported rather than the 37% required by this particular federal program. The percentage changes every year based on the federal government rules.

Description of Corrective Action Plan:

The amount of SRF draw-down has been corrected based on this year's usage percentage. From this point forward, we will verify the federal grant percentage with SRF while preparing the SEFA for the current year.

Anticipated completion date: August 18, 2014

Contact Person Responsible for Corrective Action: Wesley R. Bennett  
Contact Phone Number: 317-839-2561 x211

Signature

Title

Clerk-Treasurer

Date

8/18/14



CLERK-TREASURER  
TOWN OF PLAINFIELD  
AUDIT RESULT AND COMMENT

**OVERDRAWN CASH**

The financial statement presented for audit included the following funds with overdrawn cash balances at December 31, 2013:

Payroll	\$76,975
2007 Sewer Works Const	1,918

The cash 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 Counties of Indiana, Chapter 7)

CLERK-TREASURER  
TOWN OF PLAINFIELD  
EXIT CONFERENCE

The contents of this report were discussed on November 25, 2014, with Wesley Bennett, Clerk-Treasurer; Teresa McKinney, Staff Accountant; Robin Brandgard, President of the Town Council; Anthony Perona, Town Council member; and Scott Walker, Town Financial Consultant.