

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF BURLINGTON

CARROLL COUNTY, INDIANA

January 1, 2011 to December 31, 2014



FILED
02/05/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Christy Shepherd Karen R. Dinger	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Town Council	Stan Moore	01-01-11 to 12-31-15



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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TO: THE OFFICIALS OF THE TOWN OF BURLINGTON, CARROLL COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Burlington (Town), for the period from January 1, 2011 to December 31, 2014. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the Town. It should be read in conjunction with our Financial Statements Examination Report of the Town, which provides our opinion on the Town's financial statements. This report may be found at www.in.gov/sboa/.

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 Examination Results and Comments contained herein describe 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 Official Response to the Examination Results and Comments, incorporated within this report, was not verified for accuracy.

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

October 14, 2015

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CLERK-TREASURER
TOWN OF BURLINGTON

CLERK-TREASURER
TOWN OF BURLINGTON
EXAMINATION RESULTS AND COMMENTS

BAD DEBTS AND UNCOLLECTIBLE ACCOUNTS

In 2011, ten Sewage Utility customer accounts with delinquent balances totaling \$7,926 were written off the records without proper approvals or documentation. There was no documentation indicating that unsuccessful collection procedures were implemented prior to the write-offs.

Documentation should exist for all efforts made by the governmental unit to collect amounts owed prior to any write-offs.

Officials or employees authorizing, directing or executing write-offs or adjustments to records which are not documented or warranted may be held personally responsible. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

PENALTIES, INTEREST, AND OTHER CHARGES

In 2011, the Town paid \$444 in penalties and interest charges to the Internal Revenue Service due to errors on Form 941 for the 1st and 2nd quarters of 2011.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. 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)

ADVANCE PAYMENTS

The Town of Burlington paid \$8,340 of compensation to the former Clerk-Treasurer in advance of the actual date the services were provided. The Salary Ordinance stated that a portion of the Clerk-Treasurer's salary would be paid by the Town's General Fund at a rate of \$695 per month. The payments began January 2, 2011, and the entire \$8,340 was paid out by May 11, 2011.

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)

CLERK-TREASURER
TOWN OF BURLINGTON
EXIT CONFERENCE

The contents of this report were discussed on October 14, 2015, with Karen R. Dinger, Clerk-Treasurer, and Teddy A. Huffer, Vice President of the Town Council. On October 21, 2015, the contents of this report were discussed with Christy Shepherd, former Clerk-Treasurer.

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TOWN COUNCIL
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EXAMINATION RESULT AND COMMENT

ADVANCE PAYMENTS

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