

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF GASTON

DELAWARE COUNTY, INDIANA

January 1, 2013 to December 31, 2015



FILED

08/04/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Krista L. Harris	01-01-12 to 12-31-15
	Teresa Smith	01-01-16 to 12-31-19
President of the Town Council	Jay Beeson	01-01-13 to 12-31-13
	Rick Dampier	01-01-14 to 12-31-15
	Jay Beeson	01-01-16 to 12-31-16



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF GASTON, DELAWARE COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Gaston (Town), for the period from January 1, 2013 to December 31, 2015. 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

April 21, 2016

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TOWN COUNCIL
TOWN OF GASTON
EXAMINATION RESULTS AND COMMENTS

ERRORS ON CLAIMS

Of the claims tested, 27 percent did not have proper Town Council approval. Checks were dated as much as 24 days prior to date of Town Council approval. This error resulted in disbursements totaling \$20,996 that did not have proper Town Council approval.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

CONTRACTS

Payments totaling \$22,932 were made to the Gaston Fire Department in 2015. A contract was not presented for examination for these services.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN COUNCIL
TOWN OF GASTON
EXIT CONFERENCE

The contents of this report were discussed on April 20, 2016, with Teresa Smith, Clerk-Treasurer; Jay Beeson, President of the Town Council; George Stanley, Town Council member; and Tanya Hiatt, Town Council member, and on April 21, 2016, with Krista L. Harris, former Clerk-Treasurer.