

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

SPECIAL INVESTIGATION REPORT

OF

GREENFIELD TOWNSHIP

LAGRANGE COUNTY, INDIANA

January 1, 2012 to December 31, 2015



FILED
10/24/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Arlys Boggs	01-01-11 to 12-31-18
Chairman of the Township Board	Robert Grubaugh	01-01-12 to 12-31-16



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF GREENFIELD TOWNSHIP, LAGRANGE COUNTY

We have conducted a special investigation of the records of Greenfield Township for the period January 1, 2012 to December 31, 2015. Our investigation was limited to all records applicable to disbursements to the Trustee. The purpose of our investigation was to determine if the accountability for cash and other assets are satisfactory and that the transactions related thereto are in compliance with the laws and regulations of the State of Indiana. The results of our investigation are fully described in the Special Investigation Results and Comments and Summary of Charges as listed in the Table of Contents. This report was forwarded to the Office of the Indiana Attorney General and the local prosecuting attorney

Any Official Response included herein this report has not been examined or verified for its accuracy.

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

May 5, 2016

GREENFIELD TOWNSHIP
LAGRANGE COUNTY
SPECIAL INVESTIGATION RESULTS AND COMMENTS

UNAUTHORIZED DISBURSEMENTS

During the period, Arlys Boggs, Trustee, issued checks to herself in excess of amounts approved for salary and office rent. The excess payments totaled \$6,550, \$2,600, and \$2,875 in 2013, 2014, and 2015, respectively. She reimbursed the Township \$6,300 on January 21, 2014.

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or nonfeasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships Chapter 13)

We requested Arlys Boggs, Trustee, to reimburse Greenfield Township, LaGrange County, \$5,725 for unauthorized disbursements. Arlys Boggs, Trustee, reimbursed the Township \$4,600 on April 29, 2016. (See Summary of Charges, page 6)

INTERNAL CONTROLS RELATED TO TOWNSHIP DISBURSEMENTS

The Township has failed to implement the controls necessary to insure the proper disbursement of Township funds. No review or control procedures have been implemented to insure the validity of the disbursements for authorized purposes.

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. (Accounting and Uniform Compliance Guidelines Manual for Townships Chapter 13)

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 Townships Chapter 13)

ADDITIONAL SPECIAL INVESTIGATION COSTS

The State of Indiana incurred additional costs, in the amount of \$1,585.17, due to the special investigation of disbursements to the Trustee.

Audit costs incurred because of theft and shortage may be the personal obligation of the responsible official or employee.

Any outside audit costs paid, not authorized by statute, may be considered a duplication of service and an unnecessary expense. These payments may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

We requested Arlys Boggs, Trustee, reimburse the State of Indiana \$1,585.17 for additional special investigation costs. (See Summary of Charges, page 6)

GREENFIELD TOWNSHIP
LAGRANGE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 5, 2016, with Arlys Boggs, Trustee, and Robert Grubaugh, Chairman of the Township Board.

GREENFIELD TOWNSHIP
LAGRANGE COUNTY
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Arlys Boggs, Trustee			
Unauthorized Disbursements, page 4	\$ 5,725.00	\$	\$
Reimbursed April 29, 2016		4,600.00	1,125.00
Additional Special Investigation Costs, page 4	1,585.17		
Reimbursed May 12, 2016, Receipt No. 8104	<u> </u>	<u>1,585.17</u>	<u> </u> -
Totals	<u>\$ 7,310.17</u>	<u>\$ 6,185.17</u>	<u>\$ 1,125.00</u>

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

AFFIDAVIT

STATE OF INDIANA)
ALLEN COUNTY)

I, Stephen R. Poor, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records as described in our letter to the officials of the Greenfield Township, LaGrange County, Indiana, for the period from January 1, 2012 to December 31, 2015, is true and correct to the best of my knowledge and belief.

Stephen R. Poor
Field Examiner



Subscribed and sworn to before me this 15th day of August, 2014

Paula A. Staak
Notary Public

My Commission Expires: June 20, 2019

County of Residence: Steuben