

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

OHIO TOWNSHIP

BARTHOLOMEW COUNTY, INDIANA

January 1, 2012 to December 31, 2015



**FILED**  
02/14/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Wayne Freeman JoAnne Flohr	01-01-12 to 01-17-12 01-18-12 to 12-31-16
Chairman of the Township Board	Jay Frederick Kirk D. Brownfield	01-01-12 to 12-31-14 01-01-15 to 12-31-16



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE OHIO TOWNSHIP, BARTHOLOMEW COUNTY, INDIANA

This report is supplemental to our examination report of the Ohio Township (Township), for the period from January 1, 2012 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 Township. It should be read in conjunction with our Financial Statements Examination Report of the Township, which provides our opinion on the Township's financial statement. This report may be found at [www.in.gov/sboa/](http://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

December 12, 2016

OHIO TOWNSHIP, BARTHOLOMEW COUNTY  
EXAMINATION RESULTS AND COMMENTS

**BOARD MINUTES**

There were minutes for only one meeting of the governing body presented for examination. We were not able to determine the number of meetings held for which minutes should have been provided.

Indiana Code 5-14-1.5-4(b) states:

"As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken by individual members if there is a roll call.
- (5) Any additional information required under section 3.5 or 3.6 of this chapter or any other statute that authorizes a governing body to conduct a meeting using an electronic means of communication."

**BANK ACCOUNT RECONCILIATIONS**

Depository reconciliations of the fund balances to the bank account balances were not presented for examination for any months during the examination period, except December 2015.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

**OVERDRAWN FUND BALANCE**

The financial statements presented in this report included the Fire Fighting fund with an overdrawn fund balance of \$11,913 at December 31, 2015.

The fund 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 Townships, Chapter 13)

**OPTICAL IMAGES**

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The back side or endorsement side of the checks was not returned.

OHIO TOWNSHIP, BARTHOLOMEW COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

Indiana Code 5-15-5.1-10(a) states:

"Each agency and local government shall:

- (1) Make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency and local government to protect the legal and financial rights of the government and of persons directly affected by the agency's activities and the local government's activities.
- (2) Cooperate fully with the administration in implementing the provisions of this chapter. . . ."

**COMPENSATION**

The Township did not fix the salaries of Township officers and employees in 2012, 2013, 2014, and 2015.

Indiana Code 36-6-6-10(b) states in part:

"The township legislative body shall fix the:

- (1) salaries;
- (2) wages;
- (3) rates of hourly pay . . .

of all officers and employees of the township."

**CAPITAL ASSETS**

The unit did not properly maintained a complete inventory of capital assets owned.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Assets Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OHIO TOWNSHIP, BARTHOLOMEW COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on December 27, 2016, with JoAnne Flohr, Trustee, and Kirk D. Brownfield, Chairman of the Township Board.

The contents of this report were discussed on December 29, 2016, with Wayne Freeman, former Trustee.