

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

COMPLIANCE REPORT

OF

CENTER TOWNSHIP

VANDERBURGH COUNTY, INDIANA

January 1, 2018 to December 31, 2022



**FILED**

12/20/2023

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Gary Burdsall	01-01-18 to 12-31-23
Chair of the Township Board	Tom Gant	01-01-18 to 12-31-23



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF CENTER TOWNSHIP, VANDERBURGH COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Center Township (Township), Vanderburgh County, for the period of January 1, 2018 to December 31, 2022, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

The Township's Annual Financial Report information can be found on the Indiana Gateway for Government Units financial reporting system website: <https://gateway.ifionline.org> and has not been subjected to any audit procedures.

Any Official Response to the Results and Comments, incorporated within this report, was not verified for accuracy.

Beth Kelley, CPA, CFE  
Deputy State Examiner

December 4, 2023

CENTER TOWNSHIP, VANDERBURGH COUNTY  
RESULTS AND COMMENTS

**DUPLICATE REIMBURSEMENT**

*Condition and Context*

During 2022, the Trustee received a duplicate reimbursement from the Township. The Trustee attended a conference in French Lick and was reimbursed for the hotel cost on two separate checks. The Trustee repaid the Township \$202.27 for the duplicate reimbursement.

*Criteria*

Every effort should be made by the unit to avoid unreasonable or excessive costs. Unreasonable or excessive costs may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

**FIREARM PURCHASE**

*Condition and Context*

During 2020, the Trustee was reimbursed \$593.83 for the purchase of a firearm. Documentation provided stated that the purchase of the firearm was for office protection. However, when purchasing the firearm, the federal form completed required the purchaser to certify the firearm was for the purchaser.

Therefore, since the gun ownership follows the person and not the office, the Trustee repaid the Township \$593.83 for the purchase of the firearm.

*Criteria*

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

Every effort should be made by the unit to avoid unreasonable or excessive costs. Unreasonable or excessive costs may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

**EXPENSE REIMBURSEMENT, SALES TAX PAID, AND EMPLOYEE BENEFITS/APPRECIATION**

*Condition and Context*

The Trustee was reimbursed \$14,398 for Township expenses during the engagement period. Items the Trustee was reimbursed for included office supplies and repairs; office equipment such as computers, a desk, and a shredder; lawn care supplies; and purchases of items used for employee appreciation and given as a funeral memorial. Some of these reimbursements included the payment of sales tax, which the Township as a governmental entity is exempt from paying. Furthermore, any compensation, premium, bonus, or product that would have been earned by the Township resulting from the purchase of goods or services was not earned, as the Township did not directly purchase these goods or services.

CENTER TOWNSHIP, VANDERBURGH COUNTY  
RESULTS AND COMMENTS  
(Continued)

We recommend that the Township consider the use of a Township credit card to be used when that is deemed the best method of purchasing goods or services and establish an associated policy over its use. Also, all types of employee appreciation purchases should be addressed in a Township policy.

The Trustee was reimbursed \$3,050 for meals during the engagement period. It was determined these meal reimbursements were for the Trustee and Township Board members prior to meetings. We recommended the Township establish a policy that addresses this employee benefit.

*Criteria*

Government funds are exempt from the payment of sales taxes on qualifying purchases. Units should reference Internal Revenue Service and/or Indiana Department of Revenue guidance to determine what are or are not qualifying purchases. DOR information bulletin #34 addresses this: <http://www.in.gov/dor/reference/files/sib34.pdf>.

Units should contact the Indiana Department of Revenue to obtain the exemption certificate. After obtaining the exemption certificate, it must be presented at the time a purchase is made. If sales tax is paid erroneously, a refund application may be obtained from the Sales Tax Division of the DOR.

Sales taxes that are paid on qualifying purchases by the unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

Any compensation, premium, bonus, or product earned as a result of the purchase of goods or services by the unit becomes the property of the unit. Any amounts received by an official or employee may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

The SBOA will not take exception to the use of credit cards by a unit provided the following criteria are observed:

1. The governing body must authorize credit card use through an ordinance /resolution, which has been approved in a meeting and documented in the minutes.
2. Issuance and use must be handled by an official or employee designated by the governing body.
3. The purposes for which the credit card may be used must be specifically stated in the ordinance/resolution.
4. When the purpose for which the credit card has been issued has been accomplished, the card must be returned to the custody of the responsible person.
5. The designated responsible official or employee must maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned.

CENTER TOWNSHIP, VANDERBURGH COUNTY  
RESULTS AND COMMENTS  
(Continued)

6. Credit cards must not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing body and other officials with timely and accurate accounting information and monitoring of the accounting system.
7. Payment cannot be made on the basis of a statement or a credit card slip only. Procedures for payments must be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee may be the personal obligation of the responsible officer or employee.
8. If authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

All types of employee benefits must be detailed in a written policy. Payments for expenses not authorized in a written policy cannot be allowed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

### **ORDINANCES AND RESOLUTIONS**

#### *Condition and Context*

The Trustee was reimbursed for commuter mileage from 2020 through 2022 totaling \$1,069. The Townships travel policy states the following: "The township will not reimburse the cost of commuting to and from an employees' home to the place within the township where the person works."

#### *Criteria*

Each unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

### **TOWNSHIP ASSISTANCE REIMBURSEMENTS**

#### *Condition and Context*

During 2019, the Trustee was reimbursed \$810 for the purchase of six Target gift cards. The gift cards were provided to six Township Assistance applicants for help during the Christmas season. The gift cards purchased could not be monitored to ensure purchases by the applicant were allowable, per Township Assistance Standards.

#### *Criteria*

Indiana Code 12-20-5.5-1 states:

"(a) The township trustee shall process all applications for township assistance according to uniform written standards and without consideration of the race, creed, nationality, or gender of the applicant or any member of the applicant's household.

CENTER TOWNSHIP, VANDERBURGH COUNTY  
RESULTS AND COMMENTS  
(Continued)

(b) The township's standards for the issuance of township assistance and the processing of applications must be:

- (1) governed by the requirements of this article;
- (2) proposed by the township trustee, adopted by the township board, and filed with the board of county commissioners;
- (3) reviewed and updated annually to reflect changes in the cost of basic necessities in the township and changes in the law;
- (4) published in a single written document, including addenda attached to the document; and
- (5) posted in a place prominently visible to the public in all offices of the township trustee where township assistance applications are taken or processed.

(c) The township trustee shall annually certify that the uniform written standards for the issuance of township assistance have been filed with the board of county commissioners as required under subsections (b)(2). The certification shall be noted in the township's budget submitted to the department of local government finance's computer gateway under [IC 6-1.1-17-3](#)."

Disbursements, other than properly authorized petty cash disbursements, shall be by check or warrant, not by cash or other methods unless specifically authorized by law. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

## **GARY BURDSALL, Trustee**

CENTER TOWNSHIP, VANDERBURGH COUNTY

Phone: (812) 435-5502  
2900 N. First Avenue  
Evansville, Indiana 47710-3078  
E-mail: gburdsall@centertwp.org  
Fax: (812) 435-5074

12/12/2023

Based on the recommendations from the State Board of Accounts, our office will be implementing the policies suggested. We would like to thank our auditors for their time and hard work through this process.



Gary Burdsall,  
Center Township Trustee

CENTER TOWNSHIP, VANDERBURGH COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on December 4, 2023, with Gary Burdsall, Trustee; Jim Tolen, Township Board member; Anna Dillon, Chief Deputy; and Tracy Shadrick, Investigator.

CENTER TOWNSHIP, VANDERBURGH COUNTY  
SUMMARY OF CHARGES  
(Due to Malfeasance, Misfeasance, or Nonfeasance)

	Charges	Credits	Balance Due
Gary Burdsall, Trustee:			
Firearm Purchase, page 4	\$ 593.83	\$ 593.83	\$ -
Duplicate Reimbursement, page 4	202.27	202.27	-
Totals	\$ 796.10	\$ 796.10	\$ -

This report was forwarded to the Office of the Indiana Attorney General.