

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

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

COMPLIANCE ENGAGEMENT REPORT

OF

BOONE TOWNSHIP

CASS COUNTY, INDIANA

January 1, 2020 to December 31, 2023



FILED
01/15/2025

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Robert Pifer	01-01-20 to 12-31-24
Chair of the Township Board	Susan J. Von Tobel	01-01-20 to 12-31-24



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INDIANA STATE BOARD OF ACCOUNTS

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TO: THE OFFICIALS OF BOONE TOWNSHIP, CASS COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Boone Township (Township), for the period of January 1, 2020 to December 31, 2023. The objective of this engagement was to determine compliance with applicable Indiana laws, regulations, and uniform compliance guidelines (Guidelines) established by the Indiana State Board of Accounts pursuant to Indiana Code 5-11-1-24. The objective of this engagement is not to opine on compliance or financial activity of the Township as this engagement was not conducted in accordance with any standards established by an authoritative standard setting body, and, as such, we do not provide any opinions on compliance or financial activity.

Management is responsible for preparing and maintaining its accounting records and related documents in accordance with applicable Indiana laws, regulations, and Guidelines. Management's responsibility also includes, but is not limited to, complying with other applicable Indiana laws, regulations, and Guidelines concerning how it operates: authorized sources and uses of funds; what reports are required to be prepared and filed; and what depositories and investment types are allowable.

We fulfilled our responsibility as detailed in the first paragraph, using procedures that verified the appropriate accounting for and reporting of cash, receipts, and disbursements; and the appropriate sources and uses of funds in accordance with applicable Indiana laws, regulations, and Guidelines. Expanding the scope and nature of these procedures can and does occur in specific circumstances.

The Comments contained herein, if any, describe the identified reportable instances of noncompliance found during our engagement. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified. Any Official Response to the Comments incorporated within this report was not verified for accuracy.

The Schedule of Officials and Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis (Statements) are informational only. The Statements have not been subjected to any procedures designed to express an opinion or provide any assurance on them, and, accordingly, we do not express an opinion or provide any assurance on them.

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record. Reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>, and the Township's Annual Financial Reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: <http://www.gateway.ifionline.org>.

The contents of this report were communicated to Robert Pifer, Trustee, and William Haselby, Township Board member, on December 20, 2024.



Beth Kelley, CPA, CFE
Deputy State Examiner

December 20, 2024

BOONE TOWNSHIP, CASS COUNTY
COMMENTS

PAYROLL

Condition and Context

The Township did not have a proper internal control system to ensure payroll disbursements were supported by a record of hours worked. General Form 99A, Employee's Service Record, was not maintained.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes. . . ."

The federal Fair Labor Standards Act (FLSA) requires that records of wages paid, daily and weekly hours of work, and the time of day and day of week on which the employee's work week begins be kept for all employees. These requirements can be met by use of the following prescribed general forms:

General Form 99A, Employee's Service Record
General Form 99B, Employee's Earnings Record
General Form 99C, Employee's Weekly Earnings Record

General Form 99C is required only for employees who are not exempt from FLSA, are not on a fixed work schedule, and are not paid weekly.

Additional information regarding FLSA rules and regulations may be obtained from the Department of Labor.

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

BOONE TOWNSHIP, CASS COUNTY
COMMENTS
(Continued)

Officials and employees are required to use prescribed and approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

PRESCRIBED FORMS

Condition and Context

Due to an internal control deficiency, the Township did not properly maintain the prescribed form Notice of Township Assistance Action (TA-1A) or the prescribed form Township Assistance Purchase Order (TA-2). All Township assistance disbursed during the engagement period did not have a form TA-1A or TA-2 completed.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

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Officials and employees are required to use prescribed and approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH
AND INVESTMENT BALANCES - REGULATORY BASIS

BOONE TOWNSHIP, CASS COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2020 and 2021

Fund	Cash and Investments 01-01-20	Receipts	Disbursements	Cash and Investments 12-31-20	Receipts	Disbursements	Cash and Investments 12-31-21
Township	\$ 49,806	\$ 30,521	\$ 20,913	\$ 59,414	\$ 31,871	\$ 56,262	\$ 35,023
Park And Recreation	67,373	-	-	67,373	-	40,000	27,373
Township Assistance	94,556	-	2,555	92,001	-	51,243	40,758
Fire Fighting	47,103	21,100	14,000	54,203	21,465	7,000	68,668
Rainy Day	73,121	10,271	72,986	10,406	137,114	-	147,520
Cumulative Fire	<u>212,787</u>	<u>16,790</u>	<u>226,300</u>	<u>3,277</u>	<u>18,846</u>	<u>1,250</u>	<u>20,873</u>
Totals	<u>\$ 544,746</u>	<u>\$ 78,682</u>	<u>\$ 336,754</u>	<u>\$ 286,674</u>	<u>\$ 209,296</u>	<u>\$ 155,755</u>	<u>\$ 340,215</u>

BOONE TOWNSHIP, CASS COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2023

Fund	Cash and Investments 01-01-22	Receipts	Disbursements	Cash and Investments 12-31-22	Receipts	Disbursements	Cash and Investments 12-31-23
Township	\$ 35,023	\$ 31,322	\$ 20,000	\$ 46,345	\$ 49,912	\$ 21,287	\$ 74,970
Park And Recreation	27,373	-	-	27,373	-	-	27,373
Township Assistance	40,758	-	5,328	35,430	-	2,170	33,260
Fire Fighting	68,669	21,043	21,000	68,712	7,722	14,000	62,434
Rainy Day	147,520	10,350	-	157,870	10,350	-	168,220
Cumulative Fire	<u>20,873</u>	<u>18,494</u>	<u>3,750</u>	<u>35,617</u>	<u>21,610</u>	<u>5,400</u>	<u>51,827</u>
Totals	<u>\$ 340,216</u>	<u>\$ 81,209</u>	<u>\$ 50,078</u>	<u>\$ 371,347</u>	<u>\$ 89,594</u>	<u>\$ 42,857</u>	<u>\$ 418,084</u>