

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
NEEDHAM TOWNSHIP
JOHNSON COUNTY, INDIANA
January 1, 2002 to December 31, 2005



FILED
10/19/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Inalouis Fleetwood Mary Ellen Woods	01-01-02 to 12-31-02 01-01-03 to 12-31-06
Chairman of the Township Board	David Hopping E. Dale Templin	01-01-02 to 12-31-02 01-01-03 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF NEEDHAM TOWNSHIP, JOHNSON COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Needham Township (Township), for the period of January 1, 2002 to December 31, 2005. The Township's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Township for the years ended December 31, 2002, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 7, 2006

NEEDHAM TOWNSHIP, JOHNSON COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
General	\$ 12,248	\$ 22,084	\$ 17,716	\$ 16,616
Dog	335	360	35	660
Township Assistance	22,997	15,730	8,837	29,890
Levy Excess	338	218	-	556
Totals	<u>\$ 35,918</u>	<u>\$ 38,392</u>	<u>\$ 26,588</u>	<u>\$ 47,722</u>

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 16,616	\$ 19,037	\$ 18,302	\$ 17,351
Dog	660	201	360	501
Township Assistance	29,890	14,137	8,521	35,506
Levy Excess	556	-	-	556
Totals	<u>\$ 47,722</u>	<u>\$ 33,375</u>	<u>\$ 27,183</u>	<u>\$ 53,914</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 17,351	\$ 18,785	\$ 17,965	\$ 18,171
Dog	501	299	201	599
Township Assistance	35,506	14,240	13,324	36,422
Levy Excess	556	-	556	-
Rainy Day	-	861	-	861
Totals	<u>\$ 53,914</u>	<u>\$ 34,185</u>	<u>\$ 32,046</u>	<u>\$ 56,053</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 18,171	\$ 15,308	\$ 19,667	\$ 13,812
Dog	599	264	299	564
Township Assistance	36,422	12,681	16,662	32,441
Rainy Day	861	-	-	861
Totals	<u>\$ 56,053</u>	<u>\$ 28,253</u>	<u>\$ 36,628</u>	<u>\$ 47,678</u>

The accompanying notes are an integral part of the schedules.

NEEDHAM TOWNSHIP, JOHNSON COUNTY
NOTES TO SCHEDULES

Note 1. Introduction

The Township was established under the laws of the State of Indiana. The Township provides the following services: health and social services and general administrative services.

Note 2. Fund Accounting

The Township uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Township in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Township on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Township to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

NEEDHAM TOWNSHIP, JOHNSON COUNTY
EXAMINATION RESULTS AND COMMENTS

BOARD OF FINANCE

The minutes presented for audit did not contain information related to the annual meeting of the Board of Finance or the election of officers to the Board of Finance for the years 2004, 2005, or for the subsequent period 2006. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 5)

Indiana Code 5-13-7-6(a) states in part: "Each local board of finance shall meet annually after the first Monday and on or before the last day of January. At the annual meeting the board of finance shall . . . Elect, from the board's membership . . . a president; and a secretary . . . The officers elected hold office until the officers' successors are elected and qualified."

PUBLIC RECORDS RETENTION

Bank statements, vendor invoices, and General Purchase Order for Poor Relief vouchers, Form PR-3, were not presented for examination for the year 2002. Cancelled checks or optically imaged checks were not presented for examination for the year 2003.

Indiana Code 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

NEEDHAM TOWNSHIP, JOHNSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 7, 2006, with Mary Ellen Woods, Trustee, and Lynette A. Wood, First Deputy. The officials concurred with our findings.