

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

EXAMINATION REPORT

OF

TIPPECANOE TOWNSHIP

MARSHALL COUNTY, INDIANA

January 1, 2004 to December 31, 2005



FILED
10/24/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	James A. Bates, Jr.	01-01-03 to 12-31-06
Chairman of the Township Board	Kirk Livengood	01-01-04 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF TIPPECANOE TOWNSHIP, MARSHALL COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Tippecanoe Township (Township), for the period of January 1, 2004 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, 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

August 29, 2006

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

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
Township	\$ 46,015	\$ 42,999	\$ 32,948	\$ 56,066
Dog	675	362	375	662
Township Assistance	7,423	472	535	7,360
Firefighting	19,039	22,551	17,298	24,292
Cumulative Fire	72,662	16,552	10,662	78,552
Levy Excess	233	-	233	-
Rainy Day	-	2,777	-	2,777
Township Building	-	4,177	1,238	2,938
Totals	<u>\$ 146,047</u>	<u>\$ 89,890</u>	<u>\$ 63,290</u>	<u>\$ 172,647</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 56,066	\$ 52,513	\$ 33,916	\$ 74,662
Dog	662	268	422	508
Township Assistance	7,360	809	559	7,610
Firefighting	24,292	30,860	22,800	32,352
Cumulative Fire	78,552	15,740	19,323	74,968
Rainy Day	2,777	-	-	2,777
Township Building	2,938	750	-	3,688
Totals	<u>\$ 172,647</u>	<u>\$ 100,940</u>	<u>\$ 77,021</u>	<u>\$ 196,566</u>

The accompanying notes are an integral part of the schedules.

TIPPECANOE TOWNSHIP, MARSHALL 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: public safety, health and social services, culture and recreation, 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. Final settlement of taxes paid in 2003 and 2004 did not occur until February 2004 and February 2005, respectively. All property taxes collected by the County Treasurer and available for distribution during 2005 were distributed to the Township prior to December 31, 2005.

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.

TIPPECANOE TOWNSHIP, MARSHALL COUNTY
EXAMINATION RESULTS AND COMMENTS

TRAVEL CLAIMS

The Trustee received \$700 annually for 2004 and 2005 for travel reimbursement. The Mileage Claim, General Form 101, which is to be used to substantiate and account for travel related expenses, was not filled out properly. The form did include a description of where the Trustee traveled, but did not list the physical address of "Home" and did not list actual miles driven by the Trustee for the audit period.

Supporting documentation such as 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)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

TIPPECANOE TOWNSHIP, MARSHALL COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 30, 2006, with James A. Bates Jr., Trustee; and Margaret Bates, Deputy Trustee. The officials concurred with our finding.