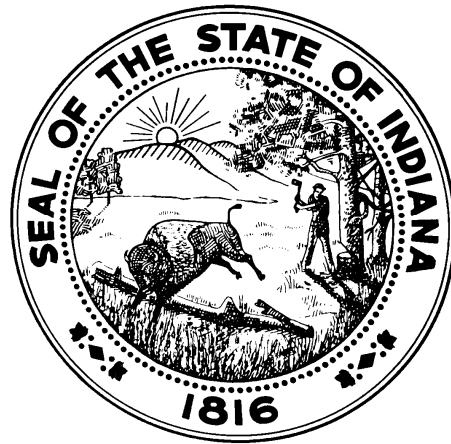


**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT
OF
STAMPERS CREEK TOWNSHIP
ORANGE COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
06/25/2008

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OFFICIALS

Office

Official

Term

Trustee

Sharon Mosier

01-01-03 to 12-31-10

Chairman of the
Township Board

Brack Coulter
Randy Sanders

01-01-06 to 12-31-06
01-01-07 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF STAMPERS CREEK TOWNSHIP, ORANGE COUNTY, INDIANA

We have examined the financial information presented herein of Stampers Creek Township (Township), for the period of January 1, 2006 to December 31, 2007. The Township's management is responsible for the financial information presented herein. 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 financial information presented herein 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 financial information referred to above presents fairly, in all material respects, the financial information of the Township for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

May 1, 2007

STAMPERS CREEK TOWNSHIP
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 19,827	\$ 7,070	\$ 5,923	\$ 20,974
Dog	611	344	311	644
Township Assistance	2,854	-	637	2,217
Wolfe Cemetery	-	117	-	117
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 23,292</u>	<u>\$ 7,531</u>	<u>\$ 6,871</u>	<u>\$ 23,952</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 20,974	\$ 7,869	\$ 5,796	\$ 23,047
Dog	644	-	644	-
Township Assistance	2,217	-	-	2,217
Wolfe Cemetery	117	479	150	446
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 23,952</u>	<u>\$ 8,348</u>	<u>\$ 6,590</u>	<u>\$ 25,710</u>

The accompanying notes are an integral part of the financial information.

STAMPERS CREEK TOWNSHIP
NOTES TO FINANCIAL INFORMATION

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.

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.

STAMPERS CREEK TOWNSHIP
EXAMINATION RESULTS AND COMMENTS

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

Payments of \$875 were made to an individual in 2007 for the repair and cleaning of Township cemeteries. The Trustee failed to comply with directives of the Internal Revenue Service by not providing a Form 1099 to the Internal Revenue Service and to the individual

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

CONFLICT OF INTEREST DISCLOSURE

Carol Sanders, a Township Board Member, received payments from the Township for cemetery care and as the Township Clerk for 2007.

Indiana Code 35-44-1-3 states in part:

"(a) A public servant who knowingly or intentionally: (1) has a pecuniary interest in; or (2) derives a profit from; a contract or purchase connected with an action by the governmental entity served by the public servant commits conflict of interest, a Class D felony . . ."

"(g) A public servant has a pecuniary interest in a contract or purchase if the contract or purchase will result or is intended to result in an ascertainable increase in the income or net worth of: (1) the public servant; or (2) a dependent of the public servant who: (A) is under the direct or indirect administrative control of the public servant; or (B) receives a contract or purchase order that is reviewed, approved, or directly or indirectly administered by the public servant . . ."

PAYROLL DEDUCTIONS

The following deficiencies were noted during the review of payroll withholdings and disbursements for the examination period:

- (1) Township funds in the amount of \$210.00 were used in 2006 to pay the employee's portion of Social Security and Medicare taxes on wages paid during 2005 for the Trustee and members of the Township Board.
- (2) Township funds in the amount of \$240.60 were used in 2006 and 2007 to pay the employee's portion of Social Security and Medicare taxes on wages paid during 2006 for the Trustee, the Clerk, and members of the Township Board.

STAMPERS CREEK TOWNSHIP
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (3) Township funds in the amount of \$177.86 were used in 2008 to pay the employee's portion of Social Security and Medicare taxes on wages paid during 2007 for the Trustee and the Clerk.

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Officers and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officers and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Sharon Mosier, Trustee, was requested to repay \$628.46 to the Township Fund for the employee's portion of Social Security and Medicare taxes that were paid by the Township during the examination period. (See Summary, page 9)

PERSONAL EXPENSES

The Township received an invoice for accounting services on October 5, 2007, in the amount of \$210.00. The invoice contained a charge of \$100 that was related to services performed on behalf of the Township and \$110 that pertained to personal accounting services on behalf of Sharon Mosier, Trustee. The invoice was paid entirely by the Township on Check 449, dated October 11, 2007.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Sharon Mosier, Trustee, was requested to repay the personal expense amount of \$110 to the Township Fund. (See Summary, page 9)

STAMPERS CREEK TOWNSHIP
EXIT CONFERENCE

The contents of this report were discussed on May 1, 2008, with Sharon Mosier, Trustee. The official concurred with our findings.

STAMPERS CREEK TOWNSHIP
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Sharon Mosier, Trustee:			
Payroll Deductions, Pages 6 and 7	\$ 628.46	\$	\$
Paid by Sharon Mosier, Trustee			
Deposited on May 2, 2008		628.46	-
Personal Expenses, Page 7	110.00		
Paid by Sharon Mosier, Trustee			
Deposited on May 2, 2008		<u>110.00</u>	<u>-</u>
Totals - Sharon Mosier, Trustee	<u>\$ 738.46</u>	<u>\$ 738.46</u>	<u>\$ -</u>