

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

EXAMINATION REPORT
OF
RICHLAND TOWNSHIP
MADISON COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
09/03/2008

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OFFICIALS

Office

Official

Term

Trustee

Richard J. Cleaver

01-01-03 to 12-31-10

Chairman of the
Township Board

Carl Jones

01-01-06 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF RICHLAND TOWNSHIP, MADISON COUNTY, INDIANA

We have examined the financial information presented herein of Richland 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

August 6, 2008

RICHLAND TOWNSHIP, MADISON COUNTY
 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	\$ 23,564	\$ 33,733	\$ 34,594	\$ 22,703
Township Assistance	12,565	4,322	5,000	11,887
Firefighting	282,252	208,035	288,533	201,754
Cumulative Fire	67,940	37,108	784	104,264
Dog	560	271	831	-
Levy Excess	1,019	4,356	1,019	4,356
Totals	<u>\$ 387,900</u>	<u>\$ 287,825</u>	<u>\$ 330,761</u>	<u>\$ 344,964</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 22,703	\$ 21,241	\$ 35,220	\$ 8,724
Township Assistance	11,887	53	7,005	4,935
Firefighting	201,754	56,730	102,952	155,532
Cumulative Fire	104,264	377	26,501	78,140
Levy Excess	4,356	4,439	4,356	4,439
Totals	<u>\$ 344,964</u>	<u>\$ 82,840</u>	<u>\$ 176,034</u>	<u>\$ 251,770</u>

The accompanying notes are an integral part of the financial information

RICHLAND TOWNSHIP, MADISON COUNTY
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: public safety, 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).

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.

RICHLAND TOWNSHIP, MADISON COUNTY
EXAMINATION RESULTS AND COMMENTS

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

A list of employees was not filed with the County Treasurer in 2006 or 2007.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due the person from the political subdivision to the treasurer of each county in which the political subdivision is located."

CAPITAL ASSETS

A capital assets ledger is not being kept by the Township.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded on the applicable Capital Assets Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

PUBLIC PURCHASE LAW

Richland Township purchased a new ambulance in February 2006. The Township paid \$115,350 for the ambulance, net of a discount for trading in the old ambulance. Evidence of bids or solicitation of quotes were not presented for examination.

Indiana Code 5-22-10-3 states:

"(a) A purchasing agent shall maintain the contract records for a special purchase in a separate file.

(b) A purchasing agent shall include in the contract file a written determination of the basis for:

- (1) the special purchase; and
- (2) the selection of a particular contractor.

RICHLAND TOWNSHIP, MADISON COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

(c) Notwithstanding any other law, a governmental body shall maintain a record listing all contracts made under this chapter for a minimum of five (5) years. The record must contain the following information:

- (1) Each contractor's name.
- (2) The amount and type of each contract.
- (3) A description of the supplies purchased under each contract.

(d) The contract records for a special purchase are subject to annual audit by the state board of accounts."

CERTIFIED REPORT OF NAMES, ADDRESSES, DUTIES, AND
COMPENSATION OF PUBLIC EMPLOYEES (FORM 100R) NOT FILED

The Certified Report of Names, Addresses, Duties, and Compensation of Public Employees (Form 100R) was not filed with the State Board of Accounts for 2006 and 2007.

Each year during the month of January each township trustee must complete a Certified Report of Names, Addresses, Duties and Compensation of Public Employees Form 100R and send the same properly certified to the State Examiner of the State Board of Accounts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 2)

RICHLAND TOWNSHIP, MADISON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 6, 2006, with Richard J. Cleaver, Trustee; and Carl Jones, Chairman of the Township Board.