

B36613

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

EXAMINATION REPORT
OF
CENTER TOWNSHIP
RIPLEY COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
04/29/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	William Warren Brenda Warren	01-01-07 to 02-11-08 02-12-08 to 12-31-10
Chairman of the Township Board	Michael C. Hilton	01-01-08 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CENTER, RIPLEY COUNTY, INDIANA

We have examined the financial information presented herein of Center (Township), for the period of January 1, 2008 to December 31, 2009. 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, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

April 1, 2010

CENTER TOWNSHIP, RIPLEY COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 3,025	\$ 53,127	\$ 35,460	\$ 20,692
Township Assistance	904	\$ 23,554	\$ 13,424	\$ 11,034
Jac Cen Del Fire Territory	150	97,539	88,501	9,188
Ripley County Trustee's Free Food Store	72	9,000	8,712	360
Fiduciary Fund:				
Payroll Withholdings	1,503	-	1,503	-
Totals	<u>\$ 5,654</u>	<u>\$ 183,220</u>	<u>\$ 147,600</u>	<u>\$ 41,274</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 20,692	44,717	55,369	10,040
Township Assistance	11,034	24,998	29,742	6,290
Jac Cen Del Fire Territory	9,188	62,762	66,401	5,549
Ripley County Trustee's Free Food Store	360	13,600	11,921	2,039
Totals	<u>\$ 41,274</u>	<u>\$ 146,077</u>	<u>\$ 163,433</u>	<u>\$ 23,918</u>

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

CENTER TOWNSHIP, RIPLEY 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). 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.

CENTER TOWNSHIP, RIPLEY COUNTY
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

The following is a summary of the condition of records:

1. Reconciliations of the various fund balances to the various bank account balances were not presented for examination.

IC 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

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)

2. The Financial and Appropriation Record (Record) was not prepared properly for 2008 and 2009. Receipts and disbursements were not properly posted or totaled for the month so that the Record could be reconciled with the bank. The Record had also not been totaled for the year so that the Record could be traced to the 2008 and 2009 Annual Reports.

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)

A similar comment was reported in prior Report B33883.

REPAYMENTS AND TRANSFERS

Prior to the year 2008, the Township made loans from the Township Fund to the Township Assistance Fund. The unpaid repayment balance on December 31, 2007, was \$41,500. Additional transfers of \$8,484 were made during the current examination period. No additional repayments were made during the examination period. Transfers and repayments are as follows:

<u>Year of Transfer</u>	<u>Amount of Transfer</u>	<u>Amount of Repayment</u>	<u>Amount Due Township Fund</u>
2003	\$ 10,000	\$ -	\$ 10,000
2004	18,500	5,000	13,500
2005	11,000	-	11,000
2006	3,000	-	3,000
2007	4,000	-	4,000
2008	5,484	-	5,484
2009	3,000	-	3,000
Totals	<u>\$ 54,984</u>	<u>\$ 5,000</u>	<u>\$ 49,984</u>

CENTER TOWNSHIP, RIPLEY COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

Payments or transfers which are not authorized by statute, ordinance, resolution, or court order must be reimbursed or transferred to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

A similar comment was reported in prior Report B33883.

FUND SOURCES AND USES

Funds were disbursed from the Township Fund for township assistance in 2009 in the amount of \$2,864.

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

ANNUAL REPORTS

Annual Reports filed in 2008 and 2009 contained the following errors for the Township and Township Assistance Funds:

1. The beginning balances did not agree with the ending balances from the prior years' Annual Reports.
2. The receipts and disbursements reported in the Annual Reports did not agree with the transactions recorded in the ledger.
3. The year-end Annual Report balances did not agree with the year-end ledger balances.

The Free Food Bank Fund was not included in the 2008 and 2009 Annual Reports.

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)

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)

CENTER TOWNSHIP, RIPLEY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 1, 2010, with Brenda Warren, Trustee; and William Warren, Clerk. The officials concurred with our findings.