

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

COMPLIANCE REPORT
OF
SUGAR CREEK TOWNSHIP
BOONE COUNTY, INDIANA
January 1, 2012 to December 31, 2015



FILED
02/28/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Lora Thompson	01-01-2012 to 12-31-15
Chairman of the Township Board	Steve Schenck	01-01-2012 to 12-31-15



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF SUGAR CREEK TOWNSHIP, BOONE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Sugar Creek Township (Township), for the period January 1, 2012 to December 31, 2015, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

The Official Response to the Results and Comments, incorporated within this report, was not verified for accuracy.

The Annual Financial Reports filed by the Township can be found on the Gateway website: <https://gateway.ifionline.org/>.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

January 11, 2017

SUGAR CREEK TOWNSHIP, BOONE COUNTY
RESULTS AND COMMENTS

NEPOTISM POLICY CERTIFICATION

Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) in 2015, 2014, 2013, and 2012.

Indiana Code 36-1-20.2-16 states: "Each elected officer of the unit shall annually certify in writing, subject to the penalties for perjury, that the officer has not violated this chapter. An officer shall submit the certification to the executive of the unit not later than December 31 of each year."

CONTRACTING WITH A UNIT POLICY CERTIFICATION

Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-21 (Contracting With a Unit) in 2015, 2014, 2013, and 2012.

Indiana Code 36-1-21-6 states: "Each elected officer of the unit shall annually certify in writing, subject to the penalties for perjury, that the officer is in compliance with this chapter. An officer shall submit the certification to the executive of the unit not later than December 31 of each year."

SALES TAX

Sales tax was paid for some purchases.

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

APPROPRIATIONS

The records presented for review indicated the following disbursements in excess of budgeted appropriations.

<u>Year</u>	<u>Fund</u>	<u>Excess Amount</u> <u>Disbursed</u>
2014	Fire Fighting	\$ 1,368.32

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

SUGAR CREEK TWP. TRUSTEE

Lora L. Thompson
P. O. Box 122
Thorntown, IN 46071

Phone: 765-436-7988

Here is my response to the Audit Results and Comments section:

The Nepotism Policy has been in place since it was required. The Policy Certification has not been used yearly. I have created a Certification form for each Board Member and myself. We will sign them this month and continue the Policy Certification each year.

The Contracting With a Unit Policy Certification has been in place since it was required. The Policy Certification has not been used yearly. I have created a Certification form for each Board Member and myself. We will sign them this month and continue the Policy Certification each year.

Sales Tax on the Vectren Bill- This should have been caught by myself or the Town of Thorntown clerk since we split the billing in half. Since the Town of Thorntown established the billing I have ask them to contact Vectren Energy. If they do not do so in a timely manner then I will contact Vectren and explain to them what has happened.

Appropriations and disbursements in excess of budgeted appropriations. I was not aware until this past year that I could move funds from one account to another to cover disbursements that are in excess of budgeted appropriations. This is the first time I have exceeded the budgeted appropriations (in all funds) in the 10 years I have been the trustee. I will use the example you described to me in the ledger to keep a current check on the appropriations.

My term is from 2015-2018. I am starting my 11th year as the Trustee.

My board has the same terms. Each of them have been on the Advisory Board for the same amount of time with me.

If you have any other questions please feel free to contact me.

SUGAR CREEK TOWNSHIP, BOONE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on January 11, 2017, with Lora Thompson, Trustee.