

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

CENTER TOWNSHIP

HENDRICKS COUNTY, INDIANA

January 1, 2012 to December 31, 2015



FILED
03/06/2017

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Examination Results and Comments:	
Personal Expense.....	4
Penalties, Interest, and Other Charges	4
Official Bond Recorded.....	4
Supporting Documentation	4-5
Optical Images.....	5
Township Assistance Application	5
Exit Conference	6

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Judith M. White	01-01-11 to 12-31-18
Chairman of the Township Board	James Disney	01-01-12 to 12-31-12
	Patricia O. Wynn	01-01-13 to 12-31-13
	Beth Harvey	01-01-14 to 12-31-14
	James Disney	01-01-15 to 12-31-15
	Patricia O. Wynn	01-01-16 to 12-31-16
	Beth Harvey	01-01-17 to 12-31-17



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF THE CENTER TOWNSHIP, HENDRICKS COUNTY, INDIANA

This report is supplemental to our examination report of Center Township (Township), for the period from January 1, 2012 to December 31, 2015. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the Township. It should be read in conjunction with our Financial Statement Examination Report of the Township, which provides our opinion on the Township's financial statement. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination 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.

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

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

January 17, 2017

CENTER TOWNSHIP, HENDRICKS COUNTY
EXAMINATION RESULTS AND COMMENTS

PERSONAL EXPENSE

We found a payment for flowers for a Township Board member's sister-in-law that is considered personal and unrelated to the operation of the Township.

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 unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

PENALTIES, INTEREST, AND OTHER CHARGES

The Township paid penalties, interest, and other charges to the Indiana Department of Revenue in the amount of \$20.37 because the Township did not remit a payment on a timely basis.

Officials 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, officials 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 1)

OFFICIAL BOND RECORDED

The following official bonds were not filed in the Office of the County Recorder for 2014, 2015, and 2016:

Judith White, Trustee

Indiana Code 5-4-1-5.1(b) states in part:

"Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder in the county of residence of the officer, official, deputy, or employee. The county recorder and deputies and employees of the recorder shall file their bonds in the office of the clerk of the circuit court."

SUPPORTING DOCUMENTATION

We noted a payment totaling \$2,550.35 was made on February 4, 2015, and did not include any supporting documentation describing the purchase of the goods or services received. Due to the lack of supporting information, we could not verify the purpose of the disbursement.

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

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and 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 1)

OPTICAL IMAGES

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The back side or endorsement side of the checks was not returned.

Indiana Code 5-15-6-3(a) states in part:

". . . 'original records' includes the optical image of a check or deposit document when:

- (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process . . . ; and
- (2) the drawer of the check receives an optical image of the check after the check is processed for payment . . ."

Indiana Code 26-2-8-111(a) states:

"If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise; and
- (2) remains accessible for later reference."

TOWNSHIP ASSISTANCE APPLICATION

A Township Assistance payment was made in 2014 without a completed Township Assistance application. The application did not contain the signatures of the Trustee or Trustee's employee and applicant.

Application for Township Assistance is to be completed by each person who applies for township assistance. The trustee has the power to administer oaths. Any person expressing a desire for assistance shall be permitted to apply, whether or not the trustee believes the person to be eligible. Each completed form must be filed in the trustee's office, whether or not relief is granted on the application. The trustee shall not extend aid to persons or families unless an affidavit setting forth the personal condition of the family has been filed within one hundred eighty (180) days prior to the date of the extension of aid. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 7)

CENTER TOWNSHIP, HENDRICKS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on January 17, 2017, with Judith M. White, Trustee, and Patricia O. Wynn, Township Board member.