

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

COMPLIANCE REPORT

OF

CASS TOWNSHIP

DUBOIS COUNTY, INDIANA

January 1, 2012 to December 31, 2015



**FILED**  
03/07/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	James K. Meyer	01-01-11 to 12-31-18
Chairman of the Township Board	Lisa Matthews	01-01-12 to 12-31-16



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CASS TOWNSHIP, DUBOIS COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Cass Township (Township), Dubois County, 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 non-compliance; therefore, noncompliance may exist that is unidentified.

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 19, 2017

CASS TOWNSHIP, DUBOIS COUNTY  
RESULTS AND COMMENTS

**OVERPAYMENT OF COMPENSATION**

In 2014 and 2015, James K. Meyer (Meyer), Trustee, received compensation of \$5,902.44 and \$5,451.04, respectively, which included payments for attending meetings to establish a Cumulative Fire fund in the amount of \$402.44 in 2014 and \$451.04 in 2015. The Township Board approved compensation appropriations for the Trustee at \$5,500 for 2014 and \$5,000 for 2015. The compensation received exceeded the amount approved in the amount of \$402.44 for 2014 and \$451.04 for 2015 for a total overpayment in the amount of \$853.48. The additional compensation paid to the Trustee for attending meetings in the amount of \$853.48 was not included on the Trustee's W-2 and paid without federal, state, and local withholdings.

Indiana Code 36-6-6-10(b) states:

"The township legislative body shall fix the:

- (1) Salaries;
- (2) Wages;
- (3) Rates of hourly pay; and
- (4) Remuneration other than other than statutory allowances;

of all officers and employees of the township."

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

On January 19, 2017, we requested Meyer to reimburse overpayment of compensation paid by the Township in the amount of \$853.48. Reimbursement totaling \$853.48 to the Township was made by the Trustee on January 19, 2017. (See Summary of Charges, page 7)

**UNALLOWABLE TRAVEL REIMBURSEMENTS**

The Trustee attended the annual Indiana Township Association Legislative Conference for 2012 and 2013. As part of his reimbursement for travel expenses, the Trustee was reimbursed \$37.44 in 2012 and \$43.49 in 2013 for movies charged to the hotel room for a total of \$80.93. Any expenditure on travel status that do not relate to lodging, meals, or mileage are not allowable.

CASS TOWNSHIP, DUBOIS COUNTY  
RESULTS AND COMMENTS  
(Continued)

Each unit should adopt a written travel policy in conformity with applicable laws. Reimbursement for lodging and meals must be based upon actual receipts for amounts paid unless otherwise authorized by law. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

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

On January 19, 2017, we requested Meyer to reimburse unallowable travel reimbursements paid by the Township in the amount \$80.93. Reimbursement totaling \$80.93 to the Township was made by the Trustee on January 19, 2017. (See Summary of Charges, page 7)

***ESTABLISHMENT OF SALARIES***

The Township Board did not fix the salaries of the Township officials and employees for the years 2012, 2013, 2014, and 2015.

Indiana Code 36-6-6-10(b) states:

"The township legislative body shall fix the:

- (1) Salaries;
- (2) Wages;
- (3) Rates of hourly pay; and
- (4) Remuneration other than other than statutory allowances;

of all officers and employees of the township."

***FUND SOURCES AND USES***

In 2012, 2013, 2014, and 2015 several payments made for cemetery mowing were recorded in the Firefighting fund instead of the Township fund.

Sources and uses of funds must be limited to those authorized by the enabling law, ordinance/ resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

CASS TOWNSHIP, DUBOIS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on January 19, 2017, with James K. Meyer, Trustee.

CASS TOWNSHIP, DUBOIS COUNTY  
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
James K. Meyer, Trustee:			
Overpayment of Compensation, page 4	\$ 853.48	\$ 853.48	\$ -
Unallowable Travel Reimbursements, pages 4 and 5	<u>80.93</u>	<u>80.93</u>	<u>-</u>
 Total Due Cass Township	 <u>\$ 934.41</u>	 <u>\$ 934.41</u>	 <u>\$ -</u>