

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

COMPLIANCE REPORT
OF
WAYNE TOWNSHIP
FULTON COUNTY, INDIANA
January 1, 2012 to December 31, 2016



FILED
04/04/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Peggy Dague	01-01-11 to 12-31-18
Chairman of the Township Board	Dale Herrold	01-01-12 to 12-31-17



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF WAYNE TOWNSHIP, FULTON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Wayne Township (Township), Fulton County, for the period January 1, 2012 to December 31, 2016, 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 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

February 16, 2017

WAYNE TOWNSHIP, FULTON COUNTY
RESULTS AND COMMENTS

PAYROLL

The following are exceptions were noted related to payroll transactions:

1. The Township Clerk was paid without the Township withholding federal, state, and local taxes.
2. Federal Form W-2s were not issued to the Township Clerk.
3. The Township Board did not fix the salaries, wages, or hourly rates of Township officers and employees for 2012, 2013, 2014, and 2016.

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

"The township legislative body shall fix the:

- (1) salaries;
- (2) wages;
- (3) rate of hourly pay; and
- (4) remuneration other than statutory allowances;

of all officers and employees of the township."

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)

PENALTIES AND INTEREST

In 2015, the Township paid penalties and interest to the Internal Revenue Service in the amount of \$21.43 because the Township did not remit payments 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 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 unit. Any penalties, interest, or other charges 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)

WAYNE TOWNSHIP, FULTON COUNTY
RESULTS AND COMMENTS
(Continued)

ANNUAL CONTRACTING 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) by December 31, 2013 through 2016.

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."

FAILURE TO ESTABLISH TOWNSHIP ASSISTANCE STANDARDS

Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5-1.

Indiana Code 12-20-5.5-1 states:

"(a) The township trustee shall process all applications for township assistance according to uniform written standards and without consideration of the race, creed, nationality, or gender of the applicant or any member of the applicant's household.

(b) The township's standards for the issuance of township assistance and the processing of applications must be:

- (1) governed by the requirements of this article;
- (2) proposed by the township trustee, adopted by the township board, and filed with the board of county commissioners;
- (3) reviewed and updated annually to reflect changes in the cost of basic necessities in the township and changes in the law;
- (4) published in a single written document, including addenda attached to the document; and
- (5) posted in a place prominently visible to the public in all offices of the township trustee where township assistance applications are taken or processed."

WAYNE TOWNSHIP, FULTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on February 16, 2017, with Peggy Dague, Trustee.