

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

COMPLIANCE REPORT  
OF  
CARTER TOWNSHIP  
SPENCER COUNTY, INDIANA  
January 1, 2012 to December 31, 2015



**FILED**  
04/04/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Keith G. Kleiser	01-01-11 to 12-31-18
Chairman of the Township Board	Ed Balbach	01-01-12 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CARTER TOWNSHIP, SPENCER COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Carter Township (Township), Spencer 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

February 13, 2017

CARTER TOWNSHIP, SPENCER COUNTY  
RESULTS AND COMMENTS

**DEPOSITS**

Receipts were deposited later than the first and fifteenth of the month for 2012, 2013, 2014, and 2015. The County Auditor distributed monies to the Township monthly which was held by the Township for 16 to 342 days prior to deposit.

Indiana Code 5-13-6-1(c) states in part: ". . . The public funds collected by township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month. . . ."

**APPROVAL OF SALARIES**

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

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

"The township legislative body shall fix the:

- (1) salaries;
- (2) wages; . . .

of all officers and employees of the township."

**TOWNSHIP ASSISTANCE APPLICATIONS**

All Township Assistance payments for 2013 were made without an Application for Township Assistance on file.

Application for Township Assistance is to be completed by each person who applies for township assistance. (Uniform and Compliance Guidelines Manual for Townships, Chapter 7)

**TOWNSHIP ASSISTANCE STANDARDS**

For 2012, 2013, 2014, and 2015, the Township did not establish Township Assistance Standards as required by state statute.

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, nationally, 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:

CARTER TOWNSHIP, SPENCER COUNTY  
RESULTS AND COMMENTS  
(Continued)

- (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 applications are taken or processed."

***PUBLICATON OF ANNUAL REPORT***

The Annual Report was not published in accordance with Indiana Code for 2014 and 2015.

Indiana Code 36-6-4-13(b) states:

"Within four (4) weeks after the third Tuesday following the first Monday in February, the executive shall publish the abstract prescribed by subsection (a) in accordance with IC 5-3-1. The abstract must state that a complete and detailed annual report and the accompanying vouchers showing the names of persons paid money by the township have been filed with the county auditor, and that the chairman of the township legislative body has a copy of the report that is available for inspection by any taxpayer of the township."

***NEPOTISM POLICY***

The Township did not have a Nepotism Policy for 2012, 2013, and 2014.

Indiana Code 36-1-20.2-9(a) states:

"This chapter establishes minimum requirements regarding employment of relatives. The legislative body of the unit shall adopt a policy that includes, at a minimum, the requirements set forth in this chapter. However, the policy may:

- (1) include requirements that are more stringent or detailed than any provision in this chapter; and
- (2) apply to individuals who are exempted or excluded from the application of this chapter.

The unit may prohibit the employment of a relative that is not otherwise prohibited by this chapter."

CARTER TOWNSHIP, SPENCER COUNTY  
RESULTS AND COMMENTS  
(Continued)

***CERTIFICATION BY ELECTED OFFICIAL - NEPOTISM POLICY***

Each elected officer did not certify in writing that the officer had not violated the Township's Nepotism Policy by December 31, 2012, 2013, 2014, and 2015.

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***

The Township did not have a Contracting Policy for 2012, 2013, and 2014.

Indiana Code 36-1-21-4(a) states:

"This chapter establishes minimum requirements regarding contracting with a unit. The legislative body of the unit shall adopt a policy that includes, at a minimum, the requirements set forth in this chapter. However, the policy may:

- (1) include requirements that are more stringent or detailed than any provision in this chapter; and
- (2) apply to individuals who are exempted or excluded from the application of this chapter.

The unit may prohibit or restrict an individual from entering into a contract with the unit that is not otherwise prohibited or restricted by this chapter."

***CERTIFICATION BY ELECTED OFFICIAL - CONTRACTING WITH A UNIT POLICY***

Each elected officer did not certify in writing that the officer had not violated the Township's Contracting With a Unit by December 31, 2012, 2013, 2014, and 2015.

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."

***ANNUAL FINANCIAL REPORT NOT FILED TIMELY***

The Annual Financial Report for 2012, 2013, 2014, and 2015 was not filed electronically until March 19, 2013, March 26, 2014, March 11, 2015, and April 12, 2016, which was 18 days, 25 days, 10 days, and 42 days past the due date, respectively.

Indiana Code 5-11-1-4(a) states in part:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically . . . "

CARTER TOWNSHIP, SPENCER COUNTY  
RESULTS AND COMMENTS  
(Continued)

***CERTIFIED REPORT OF COMPENSATION OF OFFICERS AND EMPLOYEES NOT FILED TIMELY***

The Township did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the Indiana State Board of Accounts for 2013, 2014, and 2015. The report was filed on February 1, 2014, February 14, 2015, and April 12, 2016, which was 1 day, 14 days, and 71 days past the due date, respectively.

Indiana Code 5-11-13-1 states in part:

"Every state, county, city, town township, or school official . . . shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. . . ."

CARTER TOWNSHIP, SPENCER COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on February 13, 2017, with Keith G. Kleiser, Trustee.