

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

PERRY TOWNSHIP

CLINTON COUNTY, INDIANA

January 1, 2012 to December 31, 2016



FILED
05/24/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Constance Blacker	01-01-11 to 12-31-18
Chairman of the Township Board	Phillip Ramsey	01-01-12 to 12-31-14
	Carl Chezem	01-01-15 to 12-31-15
	Phillip Ramsey	01-01-16 to 12-31-17



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF PERRY TOWNSHIP, CLINTON COUNTY, INDIANA

This report is supplemental to our examination report of Perry Township (Township), Clinton County, for the period from January 1, 2012 to December 31, 2016. 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 Statements Examination Report of the Township, which provides our opinion on the Township's financial statements. 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

April 5, 2017

PERRY TOWNSHIP, CLINTON COUNTY
EXAMINATION RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation did not agree with the fund balances for the examination period. A cash long of \$611 existed between the bank and the fund balances at December 31, 2016.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

OVERDRAWN CASH BALANCES

The financial statements presented in the Financial Statements Examination Report included the following funds with overdrawn cash balances at December 31 of the following years:

<u>Years</u>	<u>Fund</u>	<u>Amount Overdrawn</u>
2013	Township	\$ 2,989
2013	Fire Fighting	1,291
2014	Township	447

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

PERRY TOWNSHIP, CLINTON COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

PAYROLL REPORTING

The following conditions relating to payroll reporting were noted during the examination period:

1. For 2012, the Trustee's salary and the Township Clerk's salary were underpaid \$83 and \$17, respectively. For each of the years 2013-2016, the Trustee was overpaid \$85 for a total of \$340. The total net amount overpaid to the Trustee during the examination period was \$256 and should be reimbursed to the Township. The Township Clerk was underpaid \$62 for each of the years 2013-2016 for a total of \$265 for the examination period.
2. The W-2s issued to employees did not report the correct salary amount or the correct Social Security and Medicare taxes withheld for the years 2012-2016. The "net salary" amount was used for all employees and the Social Security and Medicare taxes were then computed based on the net amount.
3. The Township paid penalties, interest, and other charges to the Internal Revenue Service in the amount of \$357 because the Township did not remit payments on a timely basis.

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)

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 Township, Chapter 1)

PERRY TOWNSHIP, CLINTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 5, 2017, with Constance Blacker, Trustee.