

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF NEW WHITELAND

JOHNSON 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> |
|----------------------------------|------------------|----------------------|
| Clerk-Treasurer | Maribeth Alspach | 01-01-12 to 12-31-17 |
| President of the Town Council | John Perrin | 01-01-12 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

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TO: THE OFFICIALS OF THE TOWN OF NEW WHITELAND, JOHNSON COUNTY, INDIANA

This report is supplemental to our examination report of the Town of New Whiteland (Town), 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 Town. It should be read in conjunction with our Financial Statements Examination Report of the Town, which provides our opinion on the Town'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 6, 2017

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CLERK-TREASURER
TOWN OF NEW WHITELAND

CLERK-TREASURER
TOWN OF NEW WHITELAND
EXAMINATION RESULTS AND COMMENTS

PENALTIES, INTEREST, AND OTHER CHARGES

The Town paid penalties, interest, and other charges to the Indiana Department of Revenue on February 19, 2013, in the amount of \$230 because the Town 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 Cities and Towns, Chapter 1)

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation did not balance. The reconciled bank balances exceeded the fund balances by \$217, \$51, and \$51 for years ended December 31, 2012, 2015, and 2016, respectively. The reconciled fund balances exceeded the bank balances by \$462 and \$329 for years ended December 31, 2013 and 2014, respectively.

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."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

TOWN OF NEW WHITELAND

Indiana State Board of Accounts
302 W. Washington St., Room E418
Indianapolis, IN 46204-2765

April 11, 2017

OFFICIAL RESPONSE

To Whom It May Concern;

I appreciate the opportunity to respond to the Examination Results and Comments from our recent audit.

1) Penalties, Interest and Other Charges –

I am including with this response the letter that was mailed to the Indiana Department of Revenue on February 13, 2013 after the penalty was assessed. I believe the letter is self-explanatory, however a check was cut and placed in the free standing mailbox in front of our building on June 15th but was not processed by the Indiana Department of Revenue for 34 days. I have no control over when mail is picked up, postmarked or delivered or over how long it takes an employee of the Department of Revenue to process a payment. The check was cut and mailed 2 weeks before the due date.

2) Bank Account Reconciliations –

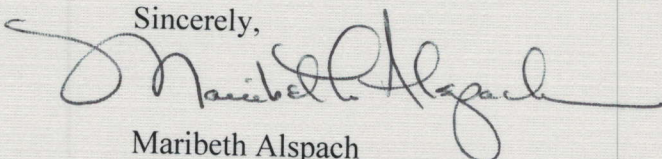
We believe the differences were the result of transfers between the credit card holding account and the actual fund accounts. We have refined that transfer process as is reflected in the bank reconciliations of 2015 and 2016. The remaining difference has been corrected as of April 2017.

In the Discussion Items, the salary ordinance was amended when the error was found during that same calendar year (2012).

As to the interest being separately reported on our Certificates of Deposit, we will begin doing that moving forward. We did not have investments prior to the sale of the Water Utility in 2012 and were unaware that we needed to receipt and post principal and interest separately.

In closing, I would like to express my deep appreciation for the hard work performed by Kylee Johnston and Beth Goss in this five year audit. These ladies were professional and helpful to myself and our staff. It was a pleasure to work with both of them.

Sincerely,



Maribeth Alspach
Clerk-Treasurer



TOWN OF NEW WHITELAND

401 Mooreland Drive · New Whiteland, IN 46184
(317) 535-9487 · Fax (317) 535-7889
www.townofnewwhiteland.com

February 13, 2013

Indiana Department of Revenue
Customer Contact
PO Box 1028
Indianapolis, IN 46206-1028

Re: Proposed Assessment
Liability Number: 2011-04294367
Notice Number: 13039526939

To Whom It May Concern;

Today I received the above referenced Notice dated February 6, 2013. I cannot explain why the payment was late. I met with a representative of our accountant's office in early June and received the completed tax form on the 15th of June at which time I cut the check and put it in the mailbox in front of our building. According to our accountant, when he spoke with your office he was told the postmark on the envelope was June 29th. The check did not clear the bank until July 19th.

Up until last year we had our own post office and all mail leaving or coming to Whiteland / New Whiteland was sorted and delivered by local people. Last year our post office was downsized to one person and only sells stamps with limited hours. All mail goes to Indianapolis and then back to Greenwood before being sorted and delivered. We have had lots of lost mail or things that were very delayed in being delivered. I can no more explain why I mailed it on the 15th and yet it was postmarked on the 29th than I can explain why it took from the 29th of June until July 19th for you to receive and process the payment.

I promise you the payment was mailed on the 15th and would appreciate some leniency on the fine. I have enclosed a check for the full amount of the fine but am asking you to review this incident if at all possible.

Should you have any other questions or need additional information please feel free to contact me. Thank you for your consideration.

Sincerely,


Maribeth Alspach
Clerk-Treasurer

CLERK-TREASURER
TOWN OF NEW WHITELAND
EXIT CONFERENCE

The contents of this report were discussed on April 6, 2017, with Maribeth Alspach, Clerk-Treasurer, and John Perrin, President of the Town Council.