

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

COMPLIANCE REPORT
OF
JEFFERSON TOWNSHIP
BOONE COUNTY, INDIANA
January 1, 2012 to December 31, 2016



FILED
06/19/2017

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Results and Comments:	
Depository Reconciliations	4
Official Bond	4
Late Filing of Certified Report (Form 100-R)	4-5
Inaccurate Certified Report (Form 100-R)	5
Federal and State Agencies - Compliance Requirements	5
Exit Conference	6

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	A. David Budd David A. Cook	01-01-11 to 12-31-14 01-01-15 to 12-31-18
Chairman of the Township Board	Karl Miller John Merson	01-01-12 to 12-31-14 01-01-15 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

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF JEFFERSON TOWNSHIP, BOONE COUNTY, INDIANA

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

May 3, 2017

JEFFERSON TOWNSHIP, BOONE COUNTY
RESULTS AND COMMENTS

DEPOSITORY RECONCILIATIONS

Monthly depository reconciliations of the fund balances to the bank account balances were not performed. As a result, posting errors were not identified and remained uncorrected. The bank account balance at December 31, 2016, adjusted for known outstanding items exceeded the balance in the Township ledger by \$2,462.93.

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."

OFFICIAL BOND

The official bonds for A. David Budd, Trustee, covering the period January 1, 2012 to January 1, 2015, were on file in the Office of the Boone County Recorder; however, the annual coverage was \$15,000 for each bond which is less than the statutory minimum.

Indiana Code 5-4-1-18(e) states in part:

". . . (1) The amount must equal thirty thousand dollars (\$30,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).

(2) The amount may not be less than thirty thousand dollars (\$30,000) nor more than three hundred thousand dollars (\$300,000) unless the fiscal body approves a greater amount for the officer or employee."

LATE FILING OF CERTIFIED REPORT (FORM 100-R)

The Township did not timely file the Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R) with the Indiana State Board of Accounts for the years 2015 and 2016. The reports were filed on February 8, 2016, and February 6, 2017, which is eight days and six days past the due date, respectively.

JEFFERSON TOWNSHIP, BOONE COUNTY
RESULTS AND COMMENTS
(Continued)

Indiana Code 5-11-13-1(a) 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 business 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. . . ."

INACCURATE CERTIFIED REPORT (FORM 100-R)

The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R) was inaccurate for the years 2012 through 2014. The reports filed for those years stated the employees' wages at their net pay instead of the gross amount. For all three years the Trustee's pay was reported as \$4,617.50 instead of \$5,000, the Township Clerk's pay was reported as \$738.80 instead of \$800 and each Township Board member's pay was reported as \$292.58 instead of \$316.66.

Indiana Code 5-11-13-1(a) 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 business 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. . . ."

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The Township did not issue Forms 1099 for office rent and contractual mowing services during the period covered by our procedures.

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)

JEFFERSON TOWNSHIP, BOONE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 3, 2017, with David A. Cook, Trustee.