

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

COMPLIANCE REPORT  
OF  
CENTER TOWNSHIP  
UNION COUNTY, INDIANA  
January 1, 2012 to December 31, 2016



**FILED**  
06/19/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Matt A. Reuss	01-01-12 to 12-31-18
Chairman of the Township Board	Jeffrey W. Moles Gary Finch	01-01-12 to 12-31-12 01-01-13 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CENTER TOWNSHIP, UNION COUNTY, INDIANA

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

Any Official Response to the Results and Comments, incorporated within this report, was not verified for accuracy.

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

May 2, 2017

CENTER TOWNSHIP, UNION COUNTY  
RESULTS AND COMMENTS

**DEPOSITORY RECONCILIATIONS**

Depository reconciliations of the fund balances to the bank account balances were not presented for most of the period; they were not completed.

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."

**APPROPRIATIONS**

The records presented indicated disbursements in excess of budgeted appropriations for the Fire Fighting fund in the amount \$1,514 and \$3,214 in 2013 and 2014, respectively.

A similar comment appeared in prior Report B41293.

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

**DEPOSITS**

Receipts were deposited later than the first and fifteenth of the month for 2012, 2013, 2014, 2015, and 2016.

A similar comment appeared in prior Report B41293.

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 Township officers and employees in 2012, 2013, 2015, or 2016.

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

"The township legislative body shall fix the:

- (1) salaries;
- (2) wages;
- (3) rates of hourly pay . . .

of all officers and employees of the township."

CENTER TOWNSHIP, UNION COUNTY  
RESULTS AND COMMENTS  
(Continued)

***PENALTIES, INTEREST, AND OTHER CHARGES***

The Township paid penalties, interest, and other charges to the United States Department of Treasury in the amount of \$138.22 because tax payments were not remitted 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 governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

***TOWNSHIP ASSISTANCE STANDARDS***

Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5-1 in 2012, 2013, 2014, 2015, or 2016.

Indiana Code 12-20-5.5-1(b) states:

"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."

***NEPOTISM***

The Township did not have a Nepotism Policy for 2012.

Additionally, each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 2012, 2013, and 2015.

Indiana Code 36-1-20.2-9(a) states in part: "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. . . ."

CENTER TOWNSHIP, UNION COUNTY  
RESULTS AND COMMENTS  
(Continued)

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**

The Township did not have a Contracting Policy for 2012.

Additionally, 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, 2012, 2013, and 2015.

Indiana Code 36-1-21-4(a) states in part: "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. . . ."

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."

**INACCURATE CERTIFIED REPORT (FORM 100-R)**

The Certified Report of Names, Addresses, duties and Compensation of Public Employees (Form 100-R) was inaccurate for years 2012, 2013, and 2014. For these years, the net salaries, instead of the gross salaries were reported.

Indiana Code 5-11-13-1(a) states in part:

"Every . . . township official . . . shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents in their respective offices, departments, boards, commissions, and institutions, 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. . . ."

CENTER TOWNSHIP, UNION COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on May 4, 2017, with Matt A. Reuss, Trustee.