

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

COMPLIANCE REPORT

OF

WABASH TOWNSHIP

PARKE COUNTY, INDIANA

January 1, 2011 to December 31, 2016



FILED
07/17/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	J. Mark Harper Debbie Barnett	01-01-11 to 12-31-14 01-01-15 to 12-31-18
Chairman of the Township Board	Beverly Davis Mikel Lewman	01-01-11 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 WABASH TOWNSHIP, PARKE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Wabash Township (Township), Parke County, for the period January 1, 2011 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 31, 2017

WABASH TOWNSHIP, PARKE COUNTY
RESULTS AND COMMENTS

DEPOSITORY RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented during the period examined. They were not completed for the years 2011, 2012, 2013, or 2014 except for December 2012. A reconciliation was performed for December 2012; however, the reconciliation contained errors or did not balance.

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 the following disbursements in excess of budgeted appropriations:

<u>Year</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2013	Township	\$ 76.81

Indiana Code 6-1.1.18-4 states: "Except as otherwise provided in this chapter, 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."

APPROVAL OF SALARIES

The Township Board did not establish the salaries of Township officers and employees for 2011, 2012, 2013, 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."

ADVANCE PAYMENTS

The Township paid salaries and wages of \$1,506.34 in 2011, \$1,836.60 in 2012, \$2,259.56 in 2013, and \$2,264.90 in 2014, in advance of the actual date the services were provided. The Township paid mowing and rent contracts of \$3,112.95 in 2012, \$3,800 in 2013, 2014, 2015, and 2016 in advance of the actual date services were provided.

WABASH TOWNSHIP, PARKE COUNTY
RESULTS AND COMMENTS
(Continued)

Compensation and any other payments for goods and services must not be paid in advance of receipt of the goods or services unless specifically authorized by law. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

PAYROLL DEDUCTIONS

An employee of the Township was paid without the Township withholding federal, state, and local taxes in 2011.

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)

CONTRACTS

Payments made for mowing in 2011 and fire protection in 2012 were not supported by a written contract.

Payments made for mowing in 2016 did not comply with the amount in the written contract.

Payments made or received for contractual services should be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

BOARD MINUTES

Minutes of meetings of the Township Board were not presented for 2015 and 2016.

Indiana Code 36-6-6-8 states:

"The legislative body shall keep a permanent record of its proceedings in a book furnished by the executive. The secretary of the legislative body shall, under the direction of the legislative body, record the minutes of the proceedings of each meeting in full and shall provide copies of the minutes to each member of the legislative body before the next meeting is convened. After the minutes are approved by the legislative body, the secretary of the legislative body shall place the minutes in the permanent record book. The chairman of the legislative body shall retain the record in his custody."

ABSTRACT REPORT NOT ADOPTED

The Township did not have the required meeting to review and adopt the Annual Report for 2011, 2012, 2013, 2014, 2015, and 2016.

WABASH TOWNSHIP, PARKE COUNTY
RESULTS AND COMMENTS
(Continued)

Indiana Code 36-6-6-9(a) states: "The legislative body shall meet on or before the third Tuesday after the first Monday in February of each year. At this meeting it shall consider and approve, in whole or in part, the annual report of the executive presented under IC 36-6-4-12."

NEPOTISM POLICY

The Township did not have a Nepotism Policy for 2011, 2012, 2013, or 2014.

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. . . ."

CONTRACTING WITH A UNIT POLICY

The Township did not have a Contracting Policy for 2011, 2012, 2013, or 2014.

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. . . ."

ANNUAL FINANCIAL REPORT FILED LATE

The Annual Financial Report for 2012 was not filed electronically until March 13, 2013.

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 the fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically . . ."

WABASH TOWNSHIP, PARKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 31, 2017, with Debbie Barnett, Trustee.