

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF WILLIAMS CREEK

MARION COUNTY, INDIANA

January 1, 2012 to December 31, 2016



FILED
07/18/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Robert Parrin	01-01-09 to 12-31-20
President of the Town Council	Richard Dickinson	01-01-09 to 12-31-12
	David Reese	01-01-13 to 12-31-13
	Scott Preston	01-01-14 to 12-31-15
	Maureen Burger	01-01-16 to 12-31-20



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 THE TOWN OF WILLIAMS CREEK, MARION COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Williams Creek (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 12, 2017

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CLERK-TREASURER
TOWN OF WILLIAMS CREEK

CLERK-TREASURER
TOWN OF WILLIAMS CREEK
EXAMINATION RESULTS AND COMMENTS

OPTICAL IMAGES OF CHECKS

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The actual cancelled check, an optical image, or electronic record of the front and back of checks should be available for inspection.

A similar comment appeared in prior Reports B42144 and B36979.

Indiana Code 5-15-6-3 states:

"No financial records or records relating to financial records shall be destroyed until the earlier of the following actions:

- (1) The audit of the records by the state board of accounts has been completed, report filed, and any exceptions set out in the report satisfied.
- (2) The financial record or records have been copied or reproduced in accordance with a retention schedule or with the written consent of the administration."

Indiana Code 26-2-8-111 states in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise; and
- (2) remains accessible for later reference. . . .

(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a). . . ."

DAILY DEPOSITS

Public funds were not consistently deposited by the next business day following the receipt of the funds. A test of all the checks received by the Town for the Town Renovation Fund determined that 30 percent were not deposited by the next business day. The longest period between the receipt of funds and their deposit was 13 days.

CLERK-TREASURER
TOWN OF WILLIAMS CREEK
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-13-6-1(d) states in part:

". . . a town shall deposit funds not later than the next business day following the receipt of the funds in depositories:

- (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and
- (2) approved as depositories of state funds."

Effective July 1, 2015, Indiana Code 5-13-6-1(g) states:

"The following are not required to deposit funds on the business day following receipt if the funds on hand do not exceed five hundred dollars (\$500): . . .

- (3) A city or a town required to deposit funds under subsection (d).

However, the funds on hand must be deposited not later than the business day following the day that the funds exceed five hundred dollars (\$500)."

RECEIPT ISSUANCE

A test designed to verify that receipts were issued and properly recorded at the time of the transaction determined that although posted to the Town's records, no receipts had been issued for any of the cash collections of the Town Renovation Fund.

Receipts shall be issued and recorded at the time of the transaction. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

CLERK-TREASURER
TOWN OF WILLIAMS CREEK
EXIT CONFERENCE

The contents of this report were discussed on April 12, 2017, with Bob Parrin, Clerk-Treasurer, and Maureen Burger, President of the Town Council.

TOWN COUNCIL
TOWN OF WILLIAMS CREEK

TOWN COUNCIL
TOWN OF WILLIAMS CREEK
EXAMINATION RESULT AND COMMENT

SALARY ORDINANCE

The Town Council did not pass a salary ordinance for any year during the examination period.

Indiana Code 36-5-3-2(b) states:

"The town legislative body shall, by ordinance, fix the compensation of its own members, the town clerk-treasurer and the town marshal. The legislative body shall provide reasonable compensation for other town officers and employees."

TOWN COUNCIL
TOWN OF WILLIAMS CREEK
EXIT CONFERENCE

The contents of this report were discussed on April 12, 2017, with Bob Parrin, Clerk-Treasurer, and Maureen Burger, President of the Town Council.